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United States
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Foreign
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Service

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January 1985

Foreign Agriculture Circular

Grains

USSR Grain Situation and Outlook

FEB 12 '85

USSR GRAIN SITUATION AND OUTLOOK

The USSR continues to actively cover its 1984/85 grain import requirements, still estimated at 50 million tons for July-June 1984/85. Winter grain conditions in the USSR continue reasonably favorable.

Import Estimate Unchanged

Over the past month, Soviet grain buyers were active in the world marketplace, adding significant quantities of corn and wheat to earlier purchases. Total commitments from all origins for July-June 1984/85 delivery are estimated at more than 37 million tons, well ahead of the commitment level as of this time a year ago of around 22 million, but about the same as in 1981/82 when total imports hit 46 million. Soviet wheat purchases from all origins are placed in the area of 23 million tons, or at nearly 90 percent of the projected annual imports of 26 million. Recent large purchases of U.S. corn, in excess of 3 million tons, have pushed total coarse grain purchases from all sources to nearly 15 million tons, or nearly two-thirds of projected imports.

In recent weeks, the USSR has purchased more than 3 million tons of Argentine wheat. In addition, reports from India confirm a wheat sale of 500,000 tons for delivery in 1985. Unconfirmed reports indicate that the Soviets recently may have purchased some new crop Argentine corn.

Soviet grain imports, based on preliminary indications, topped 25 million tons for the July-December 1984 period. Shipments from the U.S. accounted for approximately half of the grain moving to the USSR during this period. Shipments of U.S. corn were exceptionally heavy during the October-December quarter, nearing 7 million tons. Coarse grain imports from all sources for the first 6 months are estimated at over 10 million tons, second only to July-December 1981. Wheat imports for the July-December period may have been the heaviest on record.

Domestic Use Estimate Unchanged

Projected domestic grain use for 1984/85 continues at 221 million tons. Grain used as livestock feed is estimated at 123 million tons. Grain requirements for seed, food use and industrial use are placed at around 80 million tons; the allowance for dockage and waste is set at 19 million. With total utilization expected to exceed the 1984 crop, stocks will be drawn down slightly.

Livestock Sector Continues Strong

Total meat production (liveweight) during January-November on state and collective farms rose 5 percent to a record for this period. Pork made the largest gains. Beef production rose 4 percent and poultry production 5 percent over the comparable 1983 period. Livestock inventories as of December 1 on state and collective farms, were at record or near-record levels with the exception of sheep and goats.

Winter Grain Condition Favorable

The estimated 1984 grain harvest remains unchanged at 170 million tons, including 75 million in wheat, 84 million in coarse grains, and 11 million in miscellaneous grains and pulses. The area estimate of 118 million hectares is also unchanged.

Conditions for winter grains that will be harvested in 1985 continue favorable. Falling primarily as snow, precipitation since early December has been generally light, providing snowcover sufficient to protect the crop from well-below-normal temperatures. The eastern and southern Ukraine have received near-normal precipitation since August, better than a year ago when it was well below normal. Currently, snowcover in the Eastern Ukraine and the Lower Volga Valley is patchy. In areas to the south and along the Black Sea there is no snow, but to the west and north the cover measures up to 25cm. Typically, coastal areas along the Black Sea have snowcover by January 1. Presently, no more than average winterkill is expected. The area seeded to winter grains last fall is estimated at 35-36 million hectares, up slightly from the previous year.

Note on 1983 Grain Crop: The Council for Mutual Economic Assistance (CMEA)--an official organization of the Eastern European Bloc, recently published incomplete area data for the 1983 Soviet grain crop. Only the corn-for-grain figure differs markedly from the USDA area estimates -- 3,894,000 hectares according to CMEA vs. the 5.1 million estimated by USDA. Differences for other crops and for the total crop are small. USDA estimates of the 1983 Soviet area and production remain unchanged.

USSR Grain Area, Yield, and Production
1975-1980,
1981-1982 (Preliminary), 1983 (Estimate)
and 1984 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons Per Hectare)	Production ^{1/} (Million Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Estimate)	50.0	1.56	78.0
1984 (Forecast)	51.5	1.46	75.0
<u>Coarse Grains</u> ^{2/}			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Estimate)	62.1	1.69	105.0
1984 (Forecast)	57.6	1.46	84.0
<u>Total Grain</u> ^{3/}			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Estimate)	120.8	1.61	195.0
1984 (Forecast)	118.0	1.44	170.0

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1972/73-1984/85

Year	Production	Trade (Jul/Jun)		Availability 1/ July/June	Total 1/ Seed (Million Metric Tons)		Industrial	Food	Dockage/ Waste 2/	Feed	Stock Change 3/ July/June
		Imports	Exports		Total 1/ Seed (Million Metric Tons)	Total Grains 4/ 187					
1972/73	168	22.8	1.8	189	26	187	3	45	15	98	+2
1973/74	223	11.3	6.1	228	27	214	3	45	33	105	+14
1974/75	196	5.7	5.3	196	28	206	3	45	23	107	-10
1975/76	140	26.1	0.7	166	28	180	3	45	14	89	-14
1976/77	224	11.0	3.3	232	29	221	3	45	31	112	+11
1977/78	196	18.9	2.3	213	28	228	4	45	29	122	-16
1978/79	237	15.6	2.8	250	28	231	4	46	28	125	+19
1979/80	179	31.0	0.8	209	28	222	4	46	22	123	-13
1980/81 5/	189	34.8	0.5	223	27	225	4	47	28	119	-2
1981/82 5/ 6/	160	46.0	0.5	206	27	210	4	47	16	116	-4
1982/83 5/ 6/	180	32.5	0.5	212	27	213	4	47	18	117	-1
Prelim. 1983/84	195	32.9	0.5	227	27	222	4	47	21	123	+5
Projected 1984/85	170	50.0	1.0	219	27	221	4	48	19	123	-2
Wheat											
1972/73	86	15.6	1.3	100	14	98	1	35	8	41	+2
1973/74	110	4.5	5.0	109	14	96	1	34	16	30	+13
1974/75	84	2.5	4.0	82	14	93	1	34	10	34	-11
1975/76	66	10.1	0.5	76	15	87	1	35	7	30	-11
1976/77	97	4.6	1.0	100	15	92	1	35	14	28	+8
1977/78	92	6.6	1.0	98	15	108	1	35	14	44	-10
1978/79	121	5.1	1.5	125	14	107	1	35	14	43	+18
1979/80	90	12.0	0.5	102	15	115	1	35	11	53	-13
1980/81 5/	98	16.0	0.5	114	15	115	1	36	15	48	-1
1981/82 5/ 6/	80	19.5	0.5	99	15	102	1	36	8	42	-3
1982/83 5/ 6/	86	20.2	0.5	106	15	106	1	36	9	45	0
Prelim. 1983/84	78	20.5	0.5	98	15	95	1	36	9	34	+3
Projected 1984/85	75	26.0	1.0	100	15	100	1	37	8	39	0
Coarse Grains											
1972/73	72	6.9	0.4	79	11	79	2	7	7	53	0
1973/74	101	6.4	0.9	106	11	105	2	7	15	70	+1
1974/75	100	2.7	1.0	101	11	100	2	7	12	68	+1
1975/76	66	15.6	--	81	12	84	2	7	7	56	-3
1976/77	115	5.7	2.0	119	12	116	3	7	16	78	+3
1977/78	93	11.7	1.0	103	11	109	3	7	14	74	-5
1978/79	105	10.0	1.0	114	12	113	3	7	13	79	+1
1979/80	81	18.4	--	100	12	100	3	7	10	68	0
1980/81 5/	81	18.0	--	99	11	100	3	7	12	67	-1
1981/82 5/ 6/	72	25.5	--	98	11	99	3	7	7	71	-1
1982/83 5/ 6/	86	11.3	--	97	11	98	3	7	9	68	-1
Prelim. 1983/84	105	11.5	--	116	11	114	3	7	11	82	+2
Projected 1984/85	84	23.0	--	107	11	109	3	7	10	78	-2

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

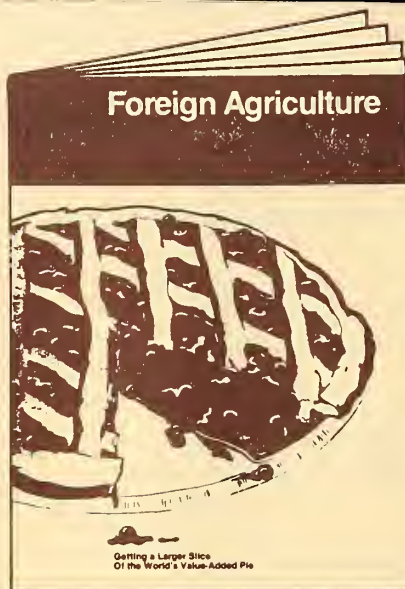
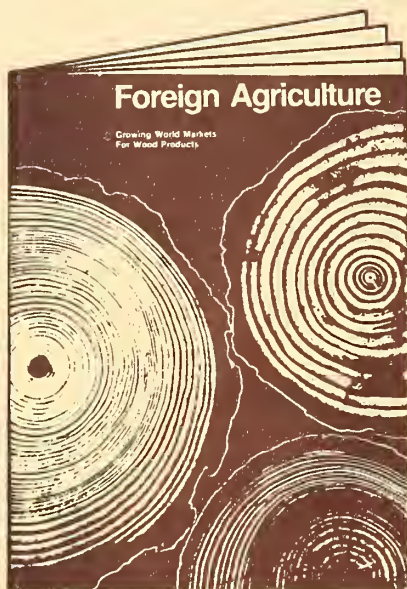
5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

7/ The indicated variation around the projections in this report should encompass final outcomes about two out of three times.

Grain and Feed Division circular release dates for 1985 are as follows:

January	11 USSR Grain Situation/Outlook 14 World Grain Situation/Outlook
February	1 Exports Markets for U.S. Grain 11 USSR Grain Situation/Outlook 12 World Grain Situation/Outlook
March	1 Export Markets For U.S. Grains 11 USSR Grain Situation/Outlook 12 World Grain Situation/Outlook 29 Export Markets for U.S. Grains
April	10 USSR Grain Situation/Outlook 11 World Grain Situation/Outlook 26 Export Markets for U.S. Grains
May	10 USSR Grain Situation/Outlook 13 World Grain Situation/Outlook 31 Exports Markets for U.S. Grains
June	10 USSR Grain Situation/Outlook 11 World Grain Situation/Outlook 28 Export Markets for U.S. Grains
July	10 USSR Grain Situation/Outlook 11 World Grain Situation/Outlook 26 Export Markets for U.S. Grains
August	12 USSR Grain Situation/Outlook 13 World Grain Situation/Outlook 30 Export Markets for U.S. Grains
September	11 USSR Grain Situation/Outlook 12 World Grain Situation/Outlook 27 Export Markets for U.S. Grains
October	10 USSR Grain Situation/Outlook 11 World Grain Situation/Outlook
November	1 Export Markets for U.S. Grains 12 USSR Grain Situation/Outlook 13 World Grain Situation/Outlook 29 Export Markets for U.S. Grains
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Grains

USSR Grain Situation and Outlook

SG-2-85

February 1985

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CURRENT SERIAL RECORDS

USSR SITUATION AND OUTLOOK

Soviet grain purchases continued to mount over the past month, as most of the major suppliers reported at least some sales. The Soviets were far more active in the coarse grain market than in wheat. Unusually cold weather over the past couple of months likely increased the amount of grain for feed required to maintain livestock in the Soviet Union.

Coarse Grain Import Estimate Increased; Total Unchanged

A recent flurry of grain purchases, principally from the United States, has pushed total Soviet grain commitments from all origins to around 42 million tons against an import estimate of 50 million.

Large Soviet purchases of U.S. corn in recent weeks have pushed total coarse grain commitments from all origins to 19 million tons. Shipping data for the first half of the 1984/85 marketing year, as well as recently reported sales, indicate that the Soviets have purchased significantly larger quantities of barley than earlier expected. In addition, Argentina is likely to sell the USSR significant quantities of corn and sorghum under their grain agreement for shipment during the late stages of the 1984/85 marketing year. The combination of these factors has prompted an increase in the estimate of coarse grain imports to 24 million tons. This would be second only to the 25.5 million tons imported in 1981/82.

The past month saw little change in the level of total Soviet wheat purchases as cancellations of U.S. wheat sales were basically offset by purchases elsewhere. Reflecting the recent pace of Soviet wheat purchases and the expected slowdown in wheat shipments for the balance of the marketing year, the estimate of wheat imports for 1984/85 has been reduced by 1 million tons to 25 million. This still would be a fourth above any other year. Miscellaneous grain and rice imports are still projected at 1 million tons.

Domestic Use Estimate Unchanged

The estimate of domestic use for 1984/85 continues at 221 million tons. The 1-million-ton increase in coarse grain imports has been reflected in a comparable increase in estimated feed use and total consumption. Correspondingly, the estimate of wheat feeding and total wheat consumption has been reduced by 1 million tons to reflect the lower import estimate. Other utilization estimates are unchanged from a month ago.

Corn Use at Record Level

Soviet corn imports, projected at nearly 18 million tons for July-June 1984/85, would be record large. Combined with an estimated 1984 corn harvest of around 12 million tons, the Soviet's corn availability will be the largest ever by far. However, the estimate of total coarse grain feed use remains below last year's record level.

Cows and Hogs Inventory Below January 1984

Information on year beginning inventories of livestock were provided in Izvestiya on January 15. Both cow and hog numbers were lower than for January 1, 1984. This is the first decline in cow numbers in at least 15 years. It may reflect a shift in priority from maintaining a slow growth in inventories to increasing milk yields per animal. Bulk feed supplies, while down from last year, are not as tight as they have been in other recent years. The decline in hog numbers is the largest since the distress slaughtering that occurred in the second half of 1975.

Livestock product production figures also were published for 1984. Meat production was only 1.5 percent above the 1983 figure. This is lower than anticipated, given monthly meat procurement reports and feed supply estimates. Milk production increased 1.2 percent to a new record; however, the increase was slower than that in recent years.

January 1, Livestock Inventories (including private sector)

	<u>1984</u>	<u>1985</u>
	--million head--	
Cattle	119.6	120.8
of which cows	43.9	43.5
Hogs	78.7	77.8
Sheep and Goats	151.8	148.8

Livestock Product Production
(including private sector)

	<u>1983</u>	<u>1984</u>
	--million tons--	
Meat	16.45	16.7
Milk	96.45	97.6
Eggs	75.1	76.0

Winter Grain Conditions Remain Favorable

Conditions for the winter grains in the USSR continue favorable. Below-normal temperatures in January were accompanied by snow which protected the crop. Precipitation in the major winter wheat and rye areas in January was above normal. January temperatures in the eastern parts of the winter grain area were near normal, while in the west they were 2-7 degrees C. below normal. These coldest regions received as much as 200 percent of normal precipitation, however. In early February, the southernmost winter grain areas experienced above-normal temperatures which reduced the snowcover, eliminating it entirely in some places. However, late in the first week of February, the snowcover was regained when precipitation, accompanied by lower temperatures, occurred. Although the Soviet winter grain areas have been subjected to below-normal temperatures this season, the crop has been protected by adequate snowcover that accompanied the cold. Also, the crop was seeded at or near the optimal time last fall and under more favorable moisture conditions than in the last three years. Winterkill should be no greater than usual. The winter grain area seeded for the 1985 harvest was 35 million hectares, according to official Soviet data.

The cold weather in January will likely have a detrimental impact on the Soviet livestock industry. The Soviet press has carried articles recently noting power outages and the lack of water supplies as the result of the weather. Should feed supplies be short in the spring, it is possible that some winter grains, that were seeded for harvest as grain, may be cut for green feed.

The 1984 Soviet grain crop estimate remains unchanged at 170 million tons, including 75 million wheat, 84 million coarse grains and 11 million miscellaneous grains and pulses. In their plan fulfillment report for 1984, the Soviets did not release any information about the grain harvest.

USSR Grain Area, Yield, and Production
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1983/84 5/ 6/	195	32.9	0.5	227	222	27	4	47	21	123	+5
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1973/74	110	4.5	5.0	109	96	14	1	34	16	30	+13
1974/75	84	2.5	4.0	82	93	14	1	34	10	34	-11
1975/76	66	10.1	0.5	76	87	15	1	35	7	30	-11
1976/77	97	4.6	1.0	100	92	15	1	35	14	28	+8
1977/78	92	6.6	1.0	98	108	15	1	35	14	44	-10
1978/79	121	5.1	1.5	125	107	14	1	35	14	43	+18
1979/80	90	12.0	0.5	102	115	15	1	35	11	53	-13
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1983/84 5/ 6/	78	20.5	0.5	98	95	15	1	36	9	34	+3
Projected 1984/85	75	25.0	1.0	99	99	15	1	37	8	38	0
Coarse Grains											
1972/73	72	6.9	0.4	79	79	11	2	7	7	53	0
1973/74	101	6.4	0.9	106	105	11	2	7	15	70	+1
1974/75	100	2.7	1.0	101	100	11	2	7	12	68	+1
1975/76	66	15.6	--	81	84	12	2	7	7	56	-3
1976/77	115	5.7	2.0	119	116	12	3	7	16	78	+3
1977/78	93	11.7	1.0	103	109	11	3	7	14	74	-5
1978/79	105	10.0	1.0	114	113	12	3	7	13	79	+1
1979/80	81	18.4	--	100	100	12	3	7	10	68	0
1980/81 5/	81	18.0	--	99	100	11	3	7	12	67	-1
1981/82 5/ 6/	72	25.5	--	98	99	11	3	7	7	71	-1
1982/83 5/ 6/	86	11.3	--	97	98	11	3	7	9	68	-1
1983/84 5/ 6/	105	11.5	--	116	114	11	3	7	11	82	+2
Projected 1984/85	84	24.0	--	108	110	11	3	7	10	79	-2

1/ Availability excludes beginning stocks. Totals may not add due to rounding.
2/ Includes post harvest losses incurred in transport and storage.
3/ Minus indicates withdrawal from stocks.
4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.
5/ Preliminary for trade, availability, utilization, and stocks change.
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By Country of Origin by months
In 1,000 Metric Tons

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December	1,283	250	115	626	370	2,644	
Oct-Dec	3,786	1,343	115	1,209	793	7,246	8,600
January 1984	863	25	256	333	838	2,315	
February	944	36	346	433	1,030	2,789	
March	1,521	18	249	418	1,018	3,224	
Jan-Mar	3,328	79	851	1,184	2,886	8,328	9,000
April	1,806	421	376	405 3/	868	3,876	
May	1,232	879	312	285 3/	933	3,641	
June	255	1,124	---	155 3/	612	2,146	
April-June	3,293	2,424	688	845 3/	2,413	9,663	9,800
July	259	1,481	58	100 3/	286	2,184	
August	1,231	1,408	115	450 3/	330	3,534	
September	2,172	1,254	132	945 3/	293	4,796	
July-Sept	3,662	4,143	305	1,495 3/	909	10,514	11,300
October	2,320	809	152	800 3/	302	4,383	
November	3,014	961	244	825 3/	99	5,143	
December	3,535	90 3/	100	5,00 3/	230	4,455	
Oct-Dec	8,869	1,860 3/	496	2,125 3/	631	13,981	15,400

1/ Based on reported exports for countries enumerated and estimates for other countries to the USSR; excludes rice, buckwheat, millet, and other miscellaneous grains and pulses. Includes grain equivalent of flour.

2/ Partially estimated including tentative estimates for countries not enumerated, or for countries from which data is not available.

3/ Preliminary

N/A Not Available

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Grains

USSR Grain Situation and Outlook

SG 3-85
March 1985

Soviet grain imports now are expected to reach 52 million tons in July-June 1984/85, exceeding the previous record of 46 million set in 1981/82. Wheat imports are projected to be record large, and coarse grain imports near record. Despite a reduced crop this year, demand for grain--particularly for feed-- continues quite strong.

Soviet Grain Import Estimate Increased

The estimate of Soviet grain imports for 1984/85 has been increased by 2 million tons, reflecting the heavy pace of shipments to date and the current high level of commitments from all origins. Wheat imports are currently estimated at 26 million tons, up one million from last month's estimate, but the same as carried earlier this year. Coarse grain imports, now estimated at 25 million tons for July-June, would be only fractionally below the record 1981/82 level. Miscellaneous grains and pulses still are expected to account for around a million tons.

Total commitments from all origins for delivery in 1984/85 currently are estimated at around 45 million tons. The bulk of this grain is expected to move during the first 9 months of the marketing year. Consequently, additional USSR grain purchases are expected for delivery during the remaining months of 1984/85. Wheat purchases to date from all origins are estimated in the area of 24 million tons with the United States, Canada, and France the major sellers. Wheat shipment programs from each of these countries are about finished, leaving room for additional sales for the balance of the 1984/85 marketing year. USSR coarse grain commitments from all origins have climbed to more than 21 million tons. Recent corn sales by the United States and corn and sorghum sales by Argentina are expected to partially cover late-season USSR grain import needs; however, additional sales are likely. In recent years, coarse grain imports for the last quarter of the marketing year have averaged nearly 6 million tons.

Shipment Pace Continues Heavy

Preliminary shipment data for February 1985 indicate that Soviet grain imports will exceed 4 million tons for the sixth consecutive month. The level of Soviet grain imports from all suppliers during October-February is estimated at around 24 million tons, by far the heaviest ever for this period. Normally the onset of winter slows shipments; however, this year the Soviets appear to have been able to maintain the level of imports without major difficulties. This suggests that Soviet efforts to upgrade port grain handling facilities and to improve efficiency in the domestic grain handling system have had a beneficial effect. Larger quantities of USSR-bound grain are also moving through North European transshipment facilities this marketing year.

Domestic Use Estimate Holds

The estimate of domestic use for 1984/85 continues at 221 million tons. The 2 million ton increase in USSR grain supplies, resulting from this month's higher import estimate, has been accommodated by eliminating the projected 2 million reduction in coarse grain stocks. Year beginning hog inventories (all sectors) showed the largest declines since 1975. Historically, such declines have only occurred when grain for feed supplies are relatively tight. Grain for feed use, currently estimated at 123 million tons, remains below the record amount of 125 million fed in 1978/79 and is unchanged from year ago levels.

Review of U.S. - USSR Trade

Soviet grain purchases from the United States so far during the second year of the new Long Term Agreement (LTA) total a record 15.6 million tons. Corn purchases at 12.8 million tons have already surpassed the high levels of the late 1970's.

The Soviets not only have the option of buying the base agreement level of 12 million tons of grain from the United States during the October-September 1984/85 period, but also may buy an additional 10 million tons without prior consultation. In any case, the minimum annual quantity of wheat and corn shall be no less than four million tons each.

U.S. Wheat and Corn Exports to USSR
Under Grain Agreements

<u>Agreement Year</u>	Wheat	Corn 1,000 tons	Total
Oct-Sept 1976/77	3,064	3,052	6,116
Oct-Sept 1977/78	3,453	11,132	14,585
Oct-Sept 1978/79	3,971	11,530	15,501
Oct-Sept 1979/80	2,171	5,738	7,939
Oct-Sept 1980/81	3,780	5,738	9,518
Oct Sept 1981/82	6,097	7,772	13,869
Oct-Sept 1982/83	2,999	3,208	6,207
Oct-Sept 1983/84	7,593	6,476	14,069
Oct-Sept 1984/85 <u>1/</u>	2,879	12,760	15,639

1/ Sales through early March 1985

Livestock Sector Outlook is Mixed

Cattle inventories on state and collective farms in recent months generally have followed seasonal trends, reaching a record level as of February 1. Drawdowns in hog and poultry numbers over the December-January period were unusually large, although poultry inventories as of February 1 remained at record levels.

USSR: Livestock Inventories on State
and Collective Farms, February 1, 1981-85

	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
	-Million Head-				
Total Cattle	89.4	90.1	90.6	92.7	94.5
of which cows	29.6	29.7	29.7	29.7	29.5
Hogs	55.4	54.8	56.6	58.6	58.6
Sheep & Goats	117.7	117.8	117.3	119.8	117.3
Poultry	624.1	651.0	687.0	703.0	722.2

These larger-than-normal drawdowns probably were caused by both tight feed supplies and unusually severe winter weather. Cow inventories were down 200,000 head from last year as culling of unproductive cows continued.

Meat production on state and collective farms increased 8 percent in January compared with January 1984. Such performance, in light of inventories, indicates that slaughterweights in the socialized sector have probably not declined much, despite the poor grain and hay harvests. The larger-than-normal drawdown in hog inventories over December and January has helped to bolster pork production.

USSR: Livestock Production on State
and Collective Farms, January 1982-1985

		1,000 tons		
	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Meat, Liveweight	1,392	1,442	1,550	1,675
Milk	3,589	3,904	4,233	4,253
Eggs, million pieces	3,979	4,269	4,478	4,569

Both milk production and milk yields increased about 0.5 percent compared with January 1984, halting the growth trend of the previous two years. Egg production, up two percent over January 1984, increased much more slowly than average in recent years.

Overwintering Conditions Continue
Favorable for Winter Grains

Temperatures over Soviet winter grain areas continued well below normal in February, but snow cover remained sufficient to protect the crop. Due to the protective snow cover, overwintering conditions generally favored winter grains. February temperatures in the eastern parts of the winter grain area were 2-4 degrees C. below normal, while in the west they were 6-8 degrees C. below normal. Historical temperature data for various locations in European USSR indicate the 1985 winter season has been the coldest in years. Moisture accumulations during the winter have been near-to-above normal over most areas, which is much better than last year, when precipitation was well below normal, particularly in the east. In early March, temperatures warmed gradually in west European USSR, but remained below normal in the south and east. Daytime temperatures have remained below freezing, maintaining snow cover as far south as the Black Sea Coast. Normally, the southward extent of early March cover lies from the central Ukraine through the lower Volga.

The later-than-usual snow cover in the south will provide ideal moisture conditions for early winter grain growth, but is prompting some concern about the possibility for delays in spring fieldwork.

The 1984 Soviet grain crop estimate remains unchanged at 170 million tons, including 75 million in wheat, 84 million in coarse grains and 11 million in miscellaneous grains and pulses.

Prepared by USDA Interagency Task Force on the USSR Grain Situation.

USSR Grain Area, Yield, and Production
1975-1980,
1981-1982 (Preliminary), 1983 (Estimate)
and 1984 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons Per Hectare)	Production ^{1/} (Million Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Estimate)	50.0	1.56	78.0
1984 (Forecast)	51.5	1.46	75.0
<u>Coarse Grains</u> ^{2/}			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Estimate)	62.1	1.69	105.0
1984 (Forecast)	57.6	1.46	84.0
<u>Total Grain</u> ^{3/}			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Estimate)	120.8	1.61	195.0
1984 (Forecast)	118.0	1.44	170.0

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1972/73-1984/85

Year	Production	Trade (Jul/Jun)		Availability 1/		Total 1/		Seed	Industrial	Food	Dockage/		Stock Change 3/ July/June
		Imports	Exports	July/June	(Million Metric Tons)	180	221				Waste 2/	Feed	
1975/76	140	26.1	0.7	166	Total Grains 4/	180	221	28	3	45	14	89	-14
1976/77	224	11.0	3.3	232		221	221	29	3	45	31	112	+11
1977/78	196	18.9	2.3	213		213	228	28	4	45	29	122	-16
1978/79	237	15.6	2.8	250		231	231	28	4	46	28	125	+19
1979/80	179	31.0	0.8	209		222	222	28	4	46	22	123	-13
1980/81 5/	189	34.8	0.5	223		225	225	27	4	47	28	119	-2
1981/82 5/ 6/	160	46.0	0.5	206		210	210	27	4	47	16	116	-4
1982/83 5/ 6/	180	32.5	0.5	212		213	213	27	4	47	18	117	-1
1983/84 5/ 6/	195	32.9	0.5	227		222	222	27	4	47	21	123	+5
Projected 1984/85	170	52.0	1.0	221		221	221	27	4	48	19	123	0
1975/76	66	10.1	0.5	76	Wheat	87	92	15	1	35	7	30	-11
1976/77	97	4.6	1.0	100		92	108	15	1	35	14	28	+8
1977/78	92	6.6	1.0	98		107	107	14	1	35	14	44	-10
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Projected 1984/85	75	26.0	1.0	100								39	0
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1978/79	105	10.0	1.0	114		100	100	12	3	7	13	79	+1
1979/80	81	18.4	--	100		100	100	11	3	7	10	68	0
1980/81 5/	81	18.0	--	99		99	99	11	3	7	12	67	-1
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Projected 1984/85	84	25.0	--	109							10	78	0

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Oct-Dec	3,786	1,343	115	1,209	793	7,246	8,600
January 1984	863	25	256	333	838	2,315	
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Jan-Mar	3,328	79	851	1,184	2,886	8,328	9,000
April	1,806	421	376	405	868	3,876	
May	1,232	879	312	285	933	3,641	
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December	3,535	85	100	500	230	4,450	
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January 1985	2,218	337	100 3/	400 3/	1,082	4,137	

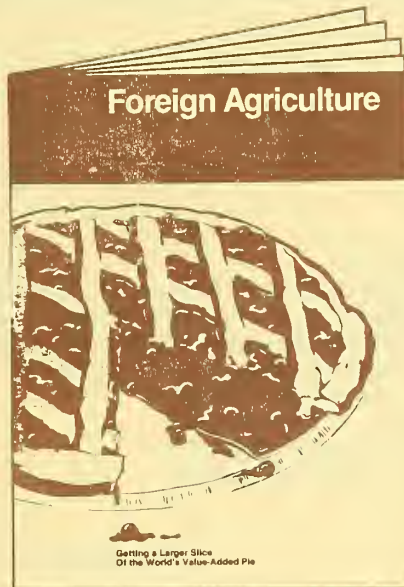
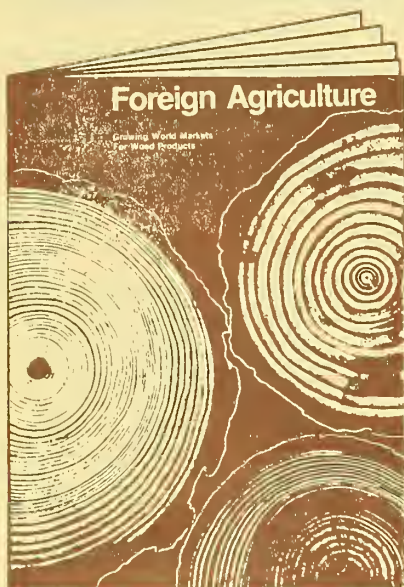
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2/ Partially estimated including tentative estimates for countries not enumerated, or for countries from which data is not available.

3/ Preliminary

N/A Not Available

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SG-4-85

April 1985

Foreign Agriculture Circular

Grains

USSR Grain Situation and Outlook

USSR GRAIN SITUATION AND OUTLOOK

Soviet grain buyers appear to have nearly covered projected record July-June 1984/85 grain imports of 52 million tons. Various reports also indicate increased Soviet interest in other feed items such as manioc, soybeans, and soybean meal. High livestock inventories and an unusually cold winter have increased feed demand and intensified pressure on tight grain supplies. Recently released area data for 1983 and 1984 have prompted changes in supply and use estimates for both 1983/84 and 1984/85.

Official Area Released for 1983 and 1984 - Production Estimates Revised

Official area figures for the 1983 and 1984 Soviet grain crops have led to revised production estimates. The 1983 total production estimate has been reduced by 5 million tons, down to 190 million. This includes 79 million tons of wheat, raised from 78 million, and only 99 million of coarse grains, lowered from 105 million. The miscellaneous grain figure remains unchanged at 12 million tons. A significantly lower area of corn-for-grain than had been estimated--3.9 million hectares vs. 5.1 million--is the primary reason for the 6-million ton reduction in the estimate of coarse grain output in 1983. The total grain area in 1983 was 120.8 million hectares, the same as had been estimated on the basis of preliminary information.

With the lower 1983 production estimate and total utilization unchanged at 222 million tons, the earlier 5 million ton increase in year-ending stocks has been erased. Some adjustments also were made in the estimate for both wheat and coarse grains. The estimate of total grain production for 1984 is unchanged. However, wheat production was cut by 2 million tons while coarse grain production was increased by 2 million. Corresponding adjustments were made in the estimate of 1984/85 feed use.

In 1984, the total grain area was 119.6 million hectares, compared with the estimated 118.0 million. While production continues to be estimated at 170 million tons, its composition has been changed somewhat. The wheat production estimate is now 73 million tons, down 2 million from the earlier estimate of 75 million. The coarse grain estimate was raised an offsetting 2 million tons and is now 86 million. A larger barley figure is the primary reason for the increase in the coarse grain estimate, while a smaller winter wheat figure leads to a lower overall wheat estimate.

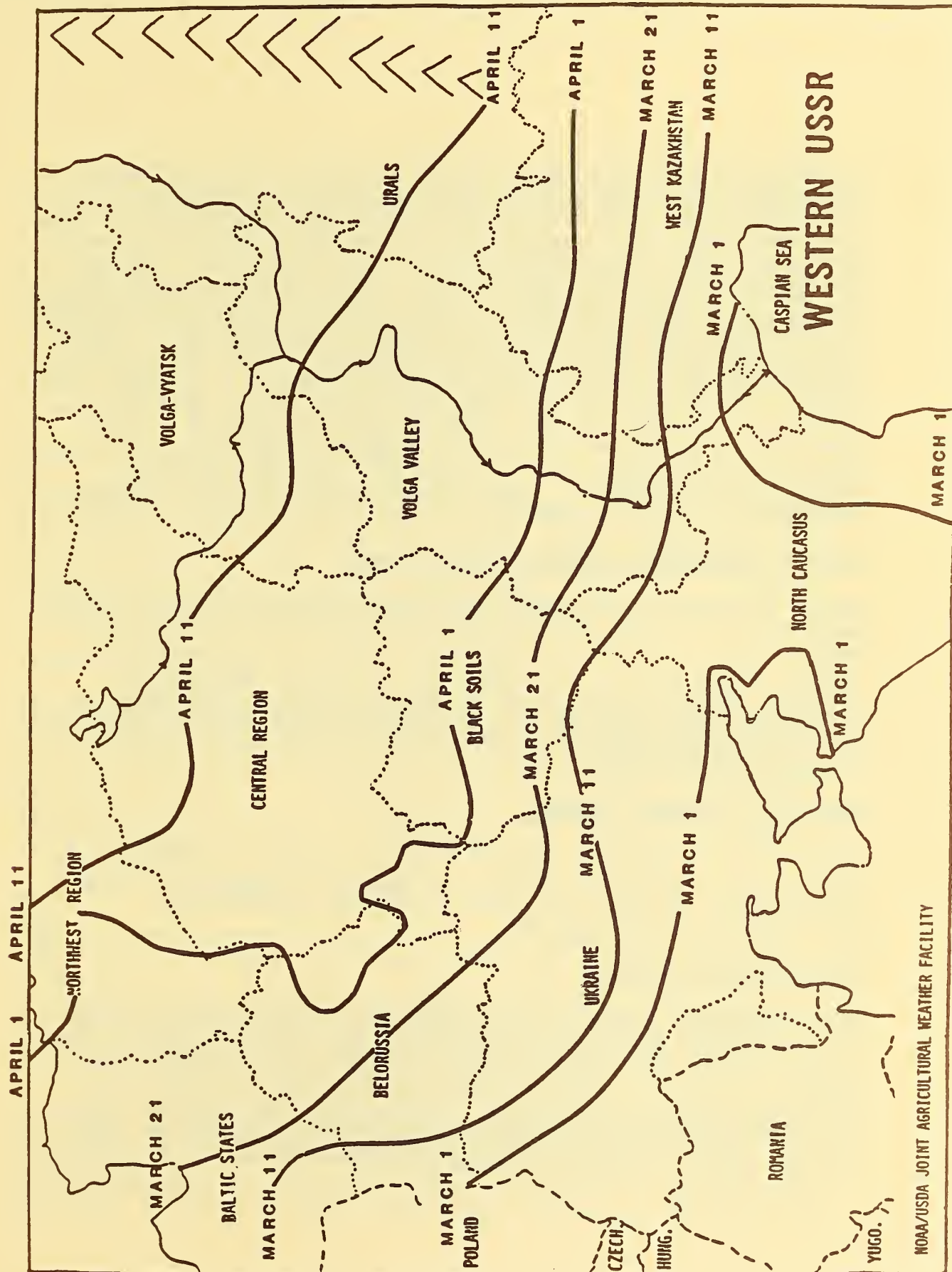
Grains in 1984 occupied the smallest area since 1971. The 1984 figure of 119.6 million hectares was down from 120.8 the year earlier. In 1971, the figure was 117.9 million hectares. Within the "grains" category, it was the spring grains that suffered, their area also the smallest since 1971. The area of spring wheat last year was only 33.1 million hectares, the smallest since at least 1955, and possibly ever. The total wheat figure itself, at 51.1 million hectares, was the second-smallest since 1955. This, coupled with smaller rye area in 1984, meant the area of breadgrains was one of the lowest in years. The coarse grain area in 1984 was down somewhat -- 2 million hectares -- but was not inordinately small in comparison with recent years. However, it could have implications because of: record livestock numbers, the forage harvest that was not so good as in 1983, and a very cold, snowy, long winter.

Fallow continued to increase in 1984, when 20.1 million hectares were set aside. This was up from the 19.5 million hectares the year before and was in keeping with the espoused policy to increase the area under fallow. The increase in fallow last year may at least partially explain some of the unusually small areas of the various crops.

Current Conditions

Prospects for the 1985 winter grain crop are generally favorable, but there are some problems and more could arise before the harvest in early summer. Last fall, conditions were relatively favorable, and 35 million hectares of winter grains were sown. This was about a million hectares more than in the previous years. Although the winter was bitterly cold, no more than average winterkill should have occurred, because unusually heavy snowcover protected the plants. This winter's bitter cold weather continued until mid-March when a gradual warming trend brought temperature to seasonal levels, melting snow. Snow diminished in southern grain areas about 2-3 weeks later than usual. Spring is about 2 weeks late this year. Temperatures averaged at least 5° C. (the

AVERAGE DATES OF DISAPPEARANCE OF SNOW COVER



threshold for breaking dormancy) the week of April 1-6 in the Baltic, Byelorussia, all of the Ukraine, North Caucasus, and Lower Volga. The late spring could delay development of the plants, causing them to be in the crucial reproductive stage at a time when temperatures are normally quite high. This could be detrimental for yield potential. Although the snowmelt generally has been gradual, and precipitation during March was well below normal, flooding in some southern areas has been reported in the Soviet press. The press has also noted several important winter grain regions, including parts of the Central Black Soil Zone and North Caucasus, are still low on subsoil moisture because of the drought last summer. Sufficient rains fell there in the early autumn, however, for the crop to germinate and get established prior to dormancy. Soviet press reports specifically mention parts of the southern Ukraine, Central Black Soil Zone, North Caucasus and Volga where the winter grains should be reseeded. Some reseeding, reportedly, will be needed because of poor quality field work last fall, not winterkill alone.

Soviets to Emphasize Intensive Cropping System

Soviet press reports state that "intensive cropping technology" will be applied to 6.4 million hectares of winter wheat and to 10.5 million of spring wheat. This system is designed to produce an additional 16 million tons of grain. The "technology" apparently employs high yielding, lodge-resistant varieties, properly balanced applications of fertilizer, optimum amounts of nitrogen applied with growth regulators, and an efficient system to control weeds, insect pests and diseases. Timeliness is emphasized.

USSR Import Estimate Unchanged

The estimate of USSR grain imports at 52 million tons is unchanged from a month ago. These record imports are expected to include 26 million tons of wheat, 25 million of coarse grains, and one million of miscellaneous grains and pulses.

Soviet Buying Continues

Total commitments from all origins continue to climb, totaling over 48 million tons for delivery in July-June 1984/85. Wheat purchases to date are estimated at over 25 million tons, only slightly below projected imports. A number of the major exporters are likely to share in late season wheat sales to the Soviets. Coarse grain commitments of around 23 million tons are still below projected imports of 25 million tons, however, additional Argentine corn and sorghum sales are expected under

the annual Argentine - USSR grain agreement. Other suppliers are also likely to sell the USSR more coarse grains.

As a result of this year's record level of Soviet imports, the Soviets have shopped for grain from a wide range of suppliers. The U.S. has been by far the largest supplier with sales as of early April exceeding 21 million tons. A number of suppliers including Argentina, Canada, and the EC are vying for second place with sales projected in excess of 6 million tons each. Australia and Eastern Europe are expected to ship between 2-3 million tons each to the USSR.

Turkey-USSR Conclude Trade Agreement

Under a recently concluded cereal trade agreement, Turkey is to supply the USSR with 100,000 tons of cereal in 1986, 500,000 in 1987, 850,000 in 1988, 1 million in 1989, and 1.5 million in 1990. Turkey has been a sporadic exporter in recent years, reflecting fluctuations in domestic crop output as well as policies which encourage exports to neighboring countries even if it increases import requirements.

USSR Purchases Manioc

Recent reports from Thailand indicate that the USSR may have purchased 500,000 tons of manioc with additional purchases likely. This would be the first such purchase since 1981. Large imports of manioc by the Soviet Union could have an impact on demand for oilseeds or oilseed meal and grain since manioc is extremely high in energy, but contains less than one percent protein. Reports indicate that recent manioc prices are very competitive with other feedstuffs.

U.S. Grain Sales To USSR Hit Record

USSR grain purchases for shipment during the second year of the new Long-Term Grain Agreement (LTA) have reached a post-embargo record of 17.9 million tons. The pattern of these purchases is of interest, given the magnitude of Soviet purchases from all origins since last summer and the USSR's need to coordinate the flow of grain from many different origins. The bulk of the Soviet wheat purchases were made early, while the Soviets have been fairly regular buyers of corn.

USSR buyers actively started covering October-September 1984/85 needs last July. By the end of July, they had purchased around 4.5 million tons of U.S. corn and over 300,000 of wheat. By October 1, the start of the second year of the new LTA, the USSR had nearly 7.7 million tons of corn and 1.4 million of wheat on the books. October saw another flurry

of wheat sales, but since that time the Soviets have added little additional wheat. In fact, during January and February 1985 the Soviets cancelled nearly 500,000 tons of earlier purchased wheat. The October-December period witnessed little corn buying activity but rather Soviet cancellations of corn purchases during December. January 1985 saw the Soviets return to the U.S. corn market, adding nearly 5 million tons to earlier purchases by the end of February. Purchases have continued during March and by early April the total corn bought for shipment in October-September 1984/85 had swollen to nearly 15 million tons.

USSR Grain Purchases From U.S.
For October-September 1984/85 Delivery
1,000 tons

<u>Month Of Purchase</u>	Wheat	Corn	Total
July 1984	325	4,500	4,825
August	1,030	2,399	3,429
September	5	766	771
October	1,771	315	2,086
November	-41 <u>1/</u>	-4 <u>1/</u>	-45
December	18	-404	-386
January 1985	-240	3,028	2,788
February	-232	1,875	1,643
March	8	2,233	2,241
Total <u>2/</u>	2,887	14,992	17,879
Percent of above sales reported under daily reporting requirements (sales exceeding 100,000 tons)	68	94	89

1/ Reflects reduction in sales due to contract adjustments or sales cancellation

2/ Includes sales made during first year of new LTA but unshipped as of Sept. 30, 1984.

Domestic Use Estimate Remains Unchanged

The estimate of domestic use for 1984/85 continues at 221 million tons, including 123 million tons for feed, 79 million tons for seed, industrial and food use, and an allowance of 19 million tons for dockage and waste. With record imports largely offsetting the effects of 1984's poor grain crop, the USSR is projected to realize no change in grain stocks during the 1984/85 marketing year.

Growth in Livestock Sector Slowing

Unusually cold weather and feed shortages continued to limit livestock inventory expansion in February. Hog numbers on state and collective farms declined slightly in February and as of March 1 were lower than a year earlier. Increases in poultry inventories on state and collective farms in February were the smallest since at least 1973 (when monthly data became available). For the first time since at least 1972/73, poultry numbers on state and collective farms actually declined over the December-February period. Cattle inventories increased in February at a modest rate and were at record levels as of March 1.

Beef production has been the single bright spot in the Soviet livestock sector thus far in 1985, accounting for most of the 7-percent increase in meat production on state and collective farms during January and February. Unusually large drawdowns in hog inventories have also contributed to meat production growth this year. Growth rates for all major meat categories are expected to decline in coming months. Milk production in the first two months of 1985 on state and collective farms was off modestly from the previous year's amount. Severe winter weather in most parts of the European USSR with accompanying electrical outages complicated dairy farming over this period. Egg production in January and February on state and collective farms increased 1.4 percent, an unusually small amount in comparison with recent years.

USSR: Livestock Inventories on State and Collective Farms, March 1, 1981-85

	1981	1982	1983	1984	1985
	Million Head				
Total cattle	90.0	90.6	91.6	94.0	95.2
of which cows	29.6	29.7	29.6	29.6	29.5
Hogs	55.2	54.1	56.8	58.9	58.5
Sheep and goats	124.4	124.0	123.0	125.6	122.4
Poultry	651.3	669.8	704.0	721.0	734.0

USSR: Livestock Production on State and Collective Farms, January-February, cumulative, 1982-85

	1982	1983	1984	1985
	1,000 tons			
Meat, liveweight	2,552	2,655	2,870	3,080
Milk	7,200	7,985	8,626	8,509
Eggs, million pieces	7,697	8,290	8,678	8,796

USSR Grain Area, Yield, and Production
1975-1980,
1981-1982 (Preliminary), 1983 (Estimate)
and 1984 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons Per Hectare)	Production ^{1/} (Million Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Estimate)	50.8	1.56	79.0
1984 (Forecast)	51.1	1.43	73.0
<u>Coarse Grains</u> ^{2/}			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Estimate)	61.2	1.62	99.0
1984 (Forecast)	59.2	1.45	86.0
<u>Total Grain</u> ^{3/}			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Estimate)	120.8	1.57	190.0
1984 (Forecast)	119.6	1.42	170.0

1/ "Bunker weight" basis; not discounted for excess moisture or foreign material.

2/ Includes rye, barley, oats, corn, sorghum, and millet.

3/ Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR Total Grain Imports ^{1/}
By Country of Origin by months
In 1,000 Metric Tons

	U.S.	Canada	Australia	EC	Argentina	Sub Total	Total ^{2/}
July 1981	--	645	76	72	2,281	3,074	
August	113	658	122	109	2,377	3,379	
September	1,405	877	115	341	1,197	3,935	
Jul-Sep	1,518	2,180	313	522	5,855	10,388	10,800
October	1,262	1,100	62	351	533	3,308	
November	1,352	1,355	---	461	111	3,279	
December	1,759	546	41	92	8	2,446	
Oct-Dec	4,373	3,001	103	904	652	9,033	10,000
January 1982	1,827	219	194	82	513	2,835	
February	1,775	178	194	187	1,217	3,551	
March	2,186	410	518	122	1,079	4,415	
Jan-Mar	5,788	807	906	491	2,809	10,801	11,200
April	1,905	492	549	131	1,670	4,747	
May	1,333	1,471	507	102	1,723	5,136	
June	470	1,290	96	75	568	2,499	
Apr-Jun	3,708	3,253	1,152	308	3,961	12,382	12,800
July	---	761	---	35	822	1,618	
August	---	650	---	5	668	1,323	
September	---	824	---	5	283	1,112	
Jul-Sep	---	2,235	---	45	1,773	4,053	5,100
October	144	1,064	---	302	68	1,578	
November	1,128	1,130	13	730	---	3,001	
December	695	860	101	468	186	2,297	
Oct-Dec	1,967	3,054	114	1,500	254	6,876	7,500
January 1983	1,576	264	172	538	1,355	3,905	
February	1,277	238	329	426	1,505	3,775	
March	891	308	291	300	1,082	2,872	
Jan-Mar	3,744	810	792	1,264	3,942	10,552	10,900
April	495	754	97	376	1,045	2,767	
May	---	1,122	---	258	1,493	2,873	
June	---	863	---	185	1,079	2,127	
Apr-Jun	495	2,739	97	819	3,617	7,767	8,200
July	---	649	---	120	399	1,168	
August	---	935	---	144	178	1,257	
September	---	836	---	785	225	1,846	
July-Sept	---	2,420	---	1,049	802	4,271	4,700
October	1,181	607	---	156	268	2,212	
November	1,322	486	---	427	155	2,390	
December	1,283	250	115	626	370	2,644	
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January 1985	2,218	337	125	550 ^{3/}	1,082	4,312	
February	2,196	---	260	500 ^{3/}	900	3,856	

^{1/} Based on reported exports for countries enumerated and estimates for other countries to the USSR; excludes rice, buckwheat, millet, and other miscellaneous grains and pulses. Includes grain equivalent of flour.

^{2/} Partially estimated including tentative estimates for countries not enumerated, or for countries from which data is not available.

^{3/} Preliminary

N/A Not Available

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1972/73-1984/85

Year	Production	Trade (Jul/Jun)		Availability 1/ July/June	Total 1/ Seed (Million Metric Tons)				Dockage/ Waste 2/ Food		Feed	Stock Change 3/ July/June	
		Imports	Exports		Total Grains 4/ Metric Tons	Industrial	Food						
1975/76	140	26.1	0.7	166	Total Grains 4/ 180				3	45	14	89	-14
1976/77	224	11.0	3.3	232	221				3	45	31	112	+11
1977/78	196	18.9	2.3	213	228				4	45	29	122	-16
1978/79	237	15.6	2.8	250	231				4	46	28	125	+19
1979/80	179	31.0	0.8	209	222				4	46	22	123	-13
1980/81 5/	189	34.8	0.5	223	225				4	47	28	119	-2
1981/82 5/ 6/	160	46.0	0.5	206	210				4	47	16	116	-4
1982/83 5/ 6/	180	32.5	0.5	212	213				4	47	18	117	-1
1983/84 5/ 6/	190	32.9	0.5	222	222				4	47	21	123	0
Projected 1984/85	170	52.0	1.0	221	221				4	48	19	123	0
1975/76	66	10.1	0.5	76	Wheat 87				1	35	7	30	-11
1976/77	97	4.6	1.0	100	92				1	35	14	28	+8
1977/78	92	6.6	1.0	98	108				1	35	14	44	-10
1978/79	121	5.1	1.5	125	107				1	35	14	43	+18
1979/80	90	12.0	0.5	102	115				1	35	11	53	-13
1980/81 5/	98	16.0	0.5	114	115				1	36	15	48	-1
1981/82 5/ 6/	80	19.5	0.5	99	102				1	36	8	42	-3
1982/83 5/ 6/	86	20.2	0.5	106	106				1	36	9	45	0
1983/84 5/ 6/	79	20.5	0.5	99	99				1	36	9	38	0
Projected 1984/85	73	26.0	1.0	98	98				1	37	8	37	0
1975/76	66	15.6	--	81	Coarse Grains 84				2	7	7	56	-3
1976/77	115	5.7	2.0	119	116				3	7	16	78	+3
1977/78	93	11.7	1.0	103	109				3	7	14	74	-5
1978/79	105	10.0	1.0	114	113				3	7	13	79	+1
1979/80	81	18.4	--	100	100				3	7	10	68	0
1980/81 5/	81	18.0	--	99	100				3	7	12	67	-1
1981/82 5/ 6/	72	25.5	--	98	99				3	7	7	71	-1
1982/83 5/ 6/	86	11.3	--	97	98				3	7	9	68	-1
1983/84 5/ 6/	99	11.5	--	110	110				3	7	11	78	0
Projected 1984/85	86	25.0	--	111	111				3	7	10	80	0

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

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Grains

JUN 3 1985

USSR Grain Situation and Outlook

SG-5-85

May 1985

USSR Grain Situation and Outlook

The highlights of the 1985/86 USSR grain outlook are:

--A projected crop of 195 million tons, 25 million above the reduced 1984 outturn, but well short of plan.

--Imports, projected at 37 million tons, are expected to continue heavy, although well below the 53 million ton estimate for 1984/85. The 1985/86 marketing year could mark the sixth straight year that Soviet grain imports exceed 30 million tons.

--Both wheat and coarse grain imports are expected to decline from the year earlier levels with coarse grains down substantially.

--Domestic use of grain is expected to continue heavy as grain for feed use reaches a new peak. The Soviets are also expected to add modestly to grain stocks this marketing year.

Early Prospects Place USSR Grain Crop Highest in 6 Years

The initial USDA estimate of the 1985 Soviet grain crop is 195 million tons, up 25 million or 15 percent from the 1984 harvest. A crop of this size would be the largest crop in six years.

Prospects for the 1985 winter grain crop are mostly favorable and better than last year. Unusually heavy snowcover during the winter protected winter grains from extreme cold, and winterkill should have been no more than normal. A gradual warming trend in late March continued through April, which slowly melted the snowcover, allowing a greater amount of moisture to percolate into the soils. As a result, topsoil moisture is generally better than last year, particularly in the eastern winter grain areas where precipitation during the 1983/84 winter was below normal. However, subsoil moisture remains limited in parts of the southeastern Ukraine, Black Soils Zone, northern North Caucasus, and Volga Valley.

Spring seeding has been delayed because of the slow arrival of spring. However, below-normal April precipitation in central crop areas of European USSR has continued to the present, which should allow the sowing pace to increase. East of the Urals, spring crop planting normally begins about mid-May. Precipitation in these areas during much of the winter was near to above normal, providing good preplanting moisture.

Presently, rapid warming is taking place over European USSR and the adjacent Urals. Topsoil moisture is likely sufficient enough to meet the increasing crop moisture demands, but timely rains and seasonable temperatures will be required during the remainder of the growing season to ensure favorable crop prospects.

The 1985 grain area is estimated at 120 million hectares, an area marginally above the 119.6 million harvested in 1984. The 1984 area was the lowest since 1971.

The 195 million ton estimate for the 1985 crop includes 87 million of wheat, 96 million of coarse grains and 12 million of miscellaneous grains and pulses. The area estimates are 52 million hectares of wheat, 59 million of coarse grains, and 9 million of miscellaneous grains and pulses. Winter grain output is estimated at 64 million tons and spring grain production at 131 million. This level of winter grain production represents an increase over the 56.9 million tons estimated for the 1984 crop and results from a slightly larger seeded area last fall. Spring grain production is also expected to increase this year mainly as a consequence of better yield prospects. In addition to better weather conditions, grain yields could benefit from the application of more extensive technology.

Seeding progress this spring has been slower than normal due to the late spring. As of April 29, the last date for which complete reports have been received, 17.1 million hectares of grains and pulses had been planted. This compares with 26.4 million hectares for last year. As of May 9, corn planting had been completed on 2.4 million hectares, about 0.5 million below the same date last year.

Soviet Grain Imports Expected to Drop Sharply

Soviet grain imports during July-June 1985/86 are projected at 37 million tons, down significantly from a year ago but still the third largest on record. Even with the 1985 crop projected to be the best

since 1978, Soviet imports are expected to continue large. Various grain trading agreements already commit the USSR to buying over 20 million tons in the year ahead.

If the 1985 harvest exceeds the current estimate of 195 million tons, imports may not drop appreciably as the USSR could choose to add to stocks or expand domestic consumption. If the crop should decline significantly from the current estimate it is likely that the USSR would increase imports and possibly limit the decline in domestic use.

Wheat imports in 1985/86 are projected to total 19 million tons even with improved crop prospects. The Soviets are expected to continue to use large amounts of domestic wheat for feed and sizeable quantities of imported wheat to meet milling needs. In addition, the Soviets may continue to import wheat for feed. Since 1980, wheat production in the USSR has averaged only around 83 million tons, with the past 2 years below average. During this same period imports have averaged over 20 million tons. This import level is equivalent to slightly more than half the estimated Soviet domestic food use. In recent years, some Soviet wheat imports have moved into the feeding sector.

Soviet coarse grain imports in July-June 1985/86 are expected to decline from the record high 26 million tons this year. Production prospects are improved in 1985, however, it is expected that Soviet coarse grain imports will be maintained at a fairly high level of 17 million tons. Over the past 2 seasons, the Soviets have utilized at least 110 million tons of coarse grains annually and this trend is expected to continue in 1985/86. Reflecting a continuation of the 1984/85 pattern, corn is expected to again account for the bulk of Soviet coarse grain imports.

Soviet imports of processed products such as wheat flour and milled rice are likely to continue modest in 1985/86 following the pattern of the past two years. Estimated imports of rice, pulses, and miscellaneous grains are placed at 1 million tons.

Domestic Use to Increase Again

Grain used domestically in the USSR is expected to show a modest increase in 1985/86, principally reflecting higher feed use. Projected feed use is placed at a new high of 127 million tons, based on expectations that the Soviets will aim for further increases in meat production. Grain used for seed, industry and food is likely to continue at around 80 million tons. The allowance for dockage and waste

in the 1985 crop -- a measure of excess moisture and other non-grain matter -- is estimated at 20 million tons, based on a pre-season estimate of about 10 percent of total production. With total supplies slightly exceeding projected use, the Soviets are also expected to add modestly to stocks. However, in light of abundant world supplies, the Soviet's could delay any significant build up in stocks until they harvest a bumper crop.

Imports and Domestic Use Increased for 1984/85

Continued Soviet buying in the world coarse grain market has prompted a one million ton increase in the estimate of 1984/85 coarse grain imports to a new record of 26 million tons. The total grain import estimate has also been increased by one million to a record 53 million tons. Domestic use was also increased by one million tons to accomodate the higher import estimate.

Livestock Inventory Increases Below Average

Growth in inventories of cattle, poultry, and sheep and goats on state and collective farms in March was well below the average for recent years. Hog numbers on these farms actually declined during March by nearly 1 million head, the largest such decline since 1975. As of April 1, inventories of cattle and poultry were at record levels, but total livestock inventories on state and collective farms (in terms of standard animal units) were slightly below those of April 1, 1984.

USSR: Livestock inventories on State and Collective Farms April 1, 1981-85

	1981	1982	1983	1984	1985
-Million Head-					
Total cattle of	92.2	92.6	93.8	96.0	96.7
which cows	29.7	29.8	29.7	29.7	29.6
Hogs	55.2	54.1	56.8	58.6	57.6
Sheep and Goats	135.9	135.1	133.9	136.7	132.1
Poultry	689.7	706.9	733.3	746.0	756.2
Total animal units 1/	111.1	111.4	113.3	115.7	115.5

1/ conversion ratios as follows: cows 1.0; other cattle 0.6; hogs 0.3; sheep and goats 0.1; and poultry .02.

USSR Grain Area, Yield, and Production
1975-1980,
1981-1983 (Preliminary), 1984 (Estimate)
and 1985 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons Per Hectare)	Production ^{1/} (Million Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Preliminary)	50.8	1.56	79.0
1984 (Estimate)	51.1	1.43	73.0
1985 (Forecast)	52.0	1.67 (+.25) ^{4/}	87.0 (+16)
<u>Coarse Grains</u> ^{2/}			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Preliminary)	61.2	1.62	99.0
1984 (Estimate)	59.2	1.45	86.0
1985 (Forecast)	59.0	1.63 (+.25)	96.0 (+16)
<u>Total Grain</u> ^{3/}			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Preliminary)	120.8	1.57	190.0
1984 (Estimate)	119.6	1.42	170.0
1985 (Forecast)	120.0	1.62 (+.15)	195.0 (+20)

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

^{4/} The indicated variation around the projections in this report should encompass final outcomes about two out of three times.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1972/73-1985/86										
Year	Production	Trade (Jul/Jun)	Exports	Availability 1/	Total 1/	Seed	Industrial	Food	Dockage/ Waste 2/	Stock Change 3/ July/June
				July/June	(Million Metric Tons)					
					Total Grains 4/					
1975/76	140	26.1	0.7	166	180	28	3	45	14	-14
1976/77	224	11.0	3.3	232	221	29	3	45	31	+11
1977/78	196	18.9	2.3	213	228	28	4	45	29	-16
1978/79	237	15.6	2.8	250	231	28	4	46	28	+19
1979/80	179	31.0	0.8	209	222	28	4	46	22	-13
1980/81 5/	189	34.8	0.5	223	225	27	4	47	28	-2
1981/82 5/ 6/	160	46.0	0.5	206	210	27	4	47	16	-4
1982/83 5/ 6/	180	32.5	0.5	212	213	27	4	47	18	-1
1983/84 5/ 6/	190	32.9	0.5	222	222	27	4	47	21	0
Projected 1984/85	170	53.0	1.0	222	222	27	4	48	19	0
Projected 1985/86	195	37.0	1.0	231	226	27	4	48	20	+5
Variability 7/	(+20)	(+5)			(+10)					
					Wheat					
1975/76	66	10.1	0.5	76	87	15	1	35	7	-11
1976/77	97	4.6	1.0	100	92	15	1	35	14	+8
1977/78	92	6.6	1.0	98	108	15	1	35	14	-10
1978/79	121	5.1	1.5	125	107	14	1	35	14	+18
1979/80	90	12.0	0.5	102	115	15	1	35	11	-13
1980/81 5/	98	16.0	0.5	114	115	15	1	36	15	-1
1981/82 5/ 6/	80	19.5	0.5	99	102	15	1	36	8	-3
1982/83 5/ 6/	86	20.2	0.5	106	106	15	1	36	9	0
1983/84 5/ 6/	79	20.5	0.5	99	99	15	1	36	9	0
Projected 1984/85	73	26.0	1.0	98	98	15	1	37	8	0
Projected 1985/86	87	19.0	1.0	105	100	15	1	37	9	+5
Variability 7/	(+16)	(+3.5)			(+10)					
					Coarse Grains					
1975/76	66	15.6	--	81	84	12	2	7	7	-3
1976/77	115	5.7	2.0	119	116	12	3	7	16	+3
1977/78	93	11.7	1.0	103	109	11	3	7	14	-5
1978/79	105	10.0	1.0	114	113	12	3	7	79	+1
1979/80	81	18.4	--	100	100	12	3	7	10	0
1980/81 5/	81	18.0	--	99	100	11	3	7	12	-1
1981/82 5/ 6/	72	25.5	--	98	99	11	3	7	7	-1
1982/83 5/ 6/	86	11.3	--	97	98	11	3	7	9	-1
1983/84 5/ 6/	99	11.5	--	110	110	11	3	7	11	0
Projected 1984/85	86	26.0	--	112	112	11	3	7	10	0
Projected 1985/86	96	17.0	--	113	113	11	3	7	10	0
Variability 7/	(+16)	(+6)			(+10)					

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

7/ The indicated variation around the projections in this report should encompass final outcomes about two out of three times.

USSR Total Grain Imports ^{1/}
By Country of Origin by months
In 1,000 Metric Tons

	U.S.	Canada	Australia	EC	Argentina	Sub Total	Total ^{2/}
July 1981	--	645	76	72	2,281	3,074	
August	113	658	122	109	2,377	3,379	
September	1,405	877	115	341	1,197	3,935	
Jul-Sep	1,518	2,180	313	522	5,855	10,388	10,800
October	1,262	1,100	62	351	533	3,308	
November	1,352	1,355	---	461	111	3,279	
December	1,759	546	41	92	8	2,446	
Oct-Dec	4,373	3,001	103	904	652	9,033	10,000
January 1982	1,827	219	194	82	513	2,835	
February	1,775	178	194	187	1,217	3,551	
March	2,186	410	518	122	1,079	4,415	
Jan-Mar	5,788	807	906	491	2,809	10,801	11,200
April	1,905	492	549	131	1,670	4,747	
May	1,333	1,471	507	102	1,723	5,136	
June	470	1,290	96	75	568	2,499	
Apr-Jun	3,708	3,253	1,152	308	3,961	12,382	12,800
July	---	761	---	35	822	1,618	
August	---	650	---	5	668	1,323	
September	---	824	---	5	283	1,112	
Jul-Sep	---	2,235	---	45	1,773	4,053	5,100
October	144	1,064	---	302	68	1,578	
November	1,128	1,130	13	730	---	3,001	
December	695	860	101	468	186	2,297	
Oct-Dec	1,967	3,054	114	1,500	254	6,876	7,500
January 1983	1,576	264	172	538	1,355	3,905	
February	1,277	238	329	426	1,505	3,775	
March	891	308	291	300	1,082	2,872	
Jan-Mar	3,744	810	792	1,264	3,942	10,552	10,900
April	495	754	97	376	1,045	2,767	
May	---	1,122	---	258	1,493	2,873	
June	---	863	---	185	1,079	2,127	
Apr-Jun	495	2,739	97	819	3,617	7,767	8,200
July	---	649	---	120	399	1,168	
August	---	935	---	144	178	1,257	
September	---	836	---	785	225	1,846	
July-Sept	---	2,420	---	1,049	802	4,271	4,700
October	1,181	607	---	156	268	2,212	
November	1,322	486	---	427	155	2,390	
December	1,283	250	115	626	370	2,644	
Oct-Dec	3,786	1,343	115	1,209	793	7,246	8,600
January 1984	863	25	256	333	838	2,315	
February	944	36	346	433	1,030	2,789	
March	1,521	18	249	418	1,018	3,224	
Jan-Mar	3,328	79	851	1,184	2,886	8,328	9,000
April	1,806	421	376	405	868	3,876	
May	1,232	879	312	285	933	3,641	
June	255	1,124	---	155	612	2,146	
April-June	3,293	2,424	688	845	2,413	9,663	9,800
July	259	1,481	58	59	286	2,143	
August	1,231	1,408	115	453	330	3,537	
September	2,172	1,254	132	1,018	293	4,869	
July-Sept	3,662	4,143	305	1,530	909	10,549	11,300
October	2,320	809	152	736	302	4,319	
November	3,014	961	244	825	99	5,143	
December	3,535	96	100	550	230	4,511	
Oct-Dec	8,869	1,866	496	2,111	631	13,973	14,800
January 1985	2,218	72	175 ^{3/}	600 ^{3/}	1,248	4,313	
February	2,196	---	255 ^{3/}	700 ^{3/}	900	4,051	
March	2,022	17	275 ^{3/}	700 ^{3/}	900	3,914	
Jan-March	6,436	89	705 ^{3/}	2,000 ^{3/}	3,048	12,278	13,900

^{1/} Based on reported exports for countries enumerated and estimates for other countries to the USSR; excludes rice, buckwheat, millet, and other miscellaneous grains and pulses. Includes grain equivalent of flour.

^{2/} Partially estimated including tentative estimates for countries not enumerated, or for countries from which data is not available.

^{3/} Preliminary

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July 1985

Foreign Agriculture Circular

Grains

USSR Grain Situation and Outlook

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USSR GRAIN SITUATION AND OUTLOOK

Prospects for the 1985 USSR grain harvest have declined over the past month. Crop conditions over the European USSR remained favorable, however, dry conditions plagued some areas of the New Lands. The recent pace of Soviet grain liftings from the recent major suppliers has declined. A smaller crop and strong domestic demand are expected to result in larger imports than earlier expected.

1985 Crop Estimate Reduced

The 1985 Soviet grain crop is estimated at 190 million metric tons, 5 million less than the earlier season estimate. The 5-million-ton reduction includes 4 million wheat, now estimated at 83 million tons, and 1 million coarse grains, now estimated at 95 million tons. The estimate of miscellaneous grains and pulses is unchanged at 12 million tons. The new production estimate of 190 million tons comprises 63 million winter grains, down from 64 million, and 127 million spring grains, down from 131 million. Specific reductions were 3 million tons of spring wheat, 1 million of spring barley and 1 million of winter wheat. Hot, dry weather in late June and early July in the western New Lands, a major producing area of spring small grains, prompted reduced yield estimates for the two spring grains. The winter wheat yield estimate was lowered because of the effects of a brief spell of warm dry weather in early May in parts of the Eastern Ukraine and North Caucasus.

The previous grain area estimate of 120 million hectares remains unchanged. It includes 52 million wheat, 59 million coarse grains and 9 million miscellaneous grains and pulses. Winter grains account for 30 million hectares and spring grains for 90 million.

Harvest has begun in southern areas, but on a limited basis. It lags behind last year when as of July 2, 3.8 million hectares had been cut, and 2.1 million of that threshed. Harvest progress last year was only about one-third of that by a comparable date in 1983.

Recent Weather Developments

In June, most European USSR crop areas received above-normal precipitation, except for areas in the central North Caucasus where rainfall was slightly less than normal. Heavy downpours in the southwestern Ukraine and parts of the Central Region produced localized flooding and some crop lodging. Overall, the rains benefited winter grains, which advanced through the filling stage, as well as spring grains in the reproductive growth stage. Below normal June temperatures slowed plant growth, especially for summer crops such as corn. Recent heavy precipitation (around 100 mm) in the central Ukraine likely produced some flooding and lodged crops. Winter grains are maturing in southern areas and periods of dry weather are needed for maturation and harvesting.

In spring grain areas east of the Ural Mountains, precipitation was below normal, except for crop areas around Kustanay, Novosibirsk, and Barnaul where above-normal rains occurred. By late June, hot weather edged northward into the southern Urals and parts of central Kazakhstan, placing further stress on crops entering the critical reproductive growth stage. Further east, near-to below normal temperatures in central crop areas lowered potential stress conditions. Moisture supplies are abundant in eastern New Land areas but unseasonably cool weather slowed crop growth.

Grain Import Estimate Increased

The estimate of USSR grain imports for July-June 1985/86 has been increased by 2 million tons to 39 million tons, including 20 million of wheat, 18 million of coarse grains, and 1 million of rice, pulses, and miscellaneous grains. The estimate for both wheat and coarse grains has been increased by a million tons from last months estimate. Abundant world grain supplies and low grain prices along with strong domestic demand are expected to result in another year of large USSR imports. The USSR is expected to cover any crop shortfall with imports while also adding modestly to stocks. USSR grain purchases for delivery during the 1985/86 marketing year have been slow to develop. Most of the major suppliers are still shipping against sales made against old crop supplies. There have been few reports of new sales. Estimated purchases for 1985/86 delivery are still placed at no more than 5 million tons.

Reports from Argentina indicate that discussions are being held on a new trade agreement with the USSR. The current agreement, which calls for annual coarse grain trade of 4 million tons expires at the end of 1985. Canada and the USSR may also be discussing a new grain agreement to follow the current one which expires July 31, 1986. The current agreement provided for 25 million tons of Canadian grain sales to the USSR over 5 years.

Domestic Use Projected Large

Domestic feed use for 1985/86 in the USSR is estimated at a record 127 million tons. Grain used for seed, industry, and food is forecast to again be around 80 million tons. The estimate of dockage and waste is 20 million tons or around 10 percent of the crop. This estimate represents an approximation of the amount of moisture and non-grain material in the crop and any handling and storage losses. Projected grain supplies are expected to exceed requirements in 1985/86, resulting in a modest build up in year ending stocks.

Total 1984/85 Import Estimate Unchanged

The estimate of 1984/85 imports continues at 55 million tons with wheat and coarse grains estimated at 27 million tons each. There have been some revisions in import estimates of the various coarse grains. Corn imports for July-June 1984/85 are now placed at 20.7 million tons, sorghum at 1.7 million, barley at 3.9 million, oats at 300,000, and rye at 400,000.

This year's high barley imports reflect heavy sales by Australia and the EC. In contrast, Canada, usually a significant barley shipper to the USSR, is expected to supply only around 500,000 tons. The corn and sorghum import estimates were reduced reflecting the slowdown in Argentine shipments.

Agricultural Cooperation To Be Expanded Between U.S. and USSR

The first high-level meeting since 1978 on scientific and technical cooperation in agriculture took place in Moscow, June 12-18, 1985. The U.S. - USSR Joint Committee on Cooperation in the Field of Agriculture was chaired on the U.S. side by the Under Secretary for International Affairs and Commodity Programs (USDA) and by the Deputy Minister of Agriculture on the Soviet side.

In the course of meetings it was agreed to expand cooperation in various agriculture areas between the United States and Soviet organizations. Technical exchanges will cover a series of teams divided into two main areas: 1) agricultural economic research and information, and 2) agricultural research and technology.

In the field of economic research and information, topics include the economic and technological aspects of producing grain crops, fodder, and other commodities under varying climatic farming conditions (which includes U.S. study teams on spring wheat and winter grains in the USSR); and the use of modern technology for management in agricultural production. It is planned to hold a seminar in the U.S. on agricultural production modeling, and in the USSR a seminar on feed manufacturing and utilization.

In the field of agricultural research and technology, topics include the exchange of plant genetic material for developing and breeding new varieties of farm crops; solution of problems of soil protection and fertilizer application; improvement of land reclamation and irrigation methods; methods of plant protection and quarantine; and a number of subjects in forestry. Joint activities in the field of animal husbandry, veterinary service and quarantine are also projected.

The joint committee agreed to promote better understanding of quarantine methods during trade of animal and plant products in the United States and the USSR.

The joint committee discussed the possibility for exchanging young agricultural specialists and farmers and, in principle, the sides agreed that the exchanges should be carried out by the Ministry of Agriculture of the USSR and the National 4-H Council, and the extension service of the U.S. Department of Agriculture.

USSR Grain Area, Yield, and Production
1975-1980,
1981-1983 (Preliminary), 1984 (Estimate)
and 1985 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons) (Per Hectare)	Production ^{1/} (Million) (Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Preliminary)	50.8	1.56	79.0
1984 (Estimate)	51.1	1.43	73.0
1985 (Forecast)	52.0	1.60	83.0
<u>Coarse Grains ^{2/}</u>			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Preliminary)	61.2	1.62	99.0
1984 (Estimate)	59.2	1.45	86.0
1985 (Forecast)	59.0	1.61	95.0
<u>Total Grain ^{3/}</u>			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Preliminary)	120.8	1.57	190.0
1984 (Estimate)	119.6	1.42	170.0
1985 (Forecast)	120.0	1.58	190.0

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1972/73-1985/86

Year	Production	Trade (Jul/Jun)		Availability 1/ July/June	Total 1/ (Million Metric Tons)						Dockage/ Waste 2/		Feed	Stock Change 3/ July/June
		Imports	Exports		Total 1/	Seed	Industrial	Food	Waste 2/					
Total Grains 4/														
1975/76	140	26.1	0.7	166	180	28	3	45	14		89	-14		
1976/77	224	11.0	3.3	232	221	29	3	45	31		112	+11		
1977/78	196	18.9	2.3	213	228	28	4	45	29		122	-16		
1978/79	237	15.6	2.8	250	231	28	4	46	28		125	+19		
1979/80	179	31.0	0.8	209	222	28	4	46	22		123	-13		
1980/81 5/	189	34.8	0.5	223	225	27	4	47	28		119	-2		
1981/82 5/ 6/	160	46.0	0.5	206	210	27	4	47	16		116	-4		
1982/83 5/ 6/	180	32.5	0.5	212	213	27	4	47	18		117	-1		
1983/84 5/ 6/	190	32.9	0.5	222	222	27	4	47	21		123	0		
Projected 1984/85	170	55.0	1.0	224	222	27	4	48	19		124	+2		
Projected 1985/86	190	39.0	1.0	228	226	27	4	48	20		127	+2		
Wheat														
1975/76	66	10.1	0.5	76	87	15	1	35	7		30	-11		
1976/77	97	4.6	1.0	100	92	15	1	35	14		28	+8		
1977/78	92	6.6	1.0	98	108	15	1	35	14		44	-10		
1978/79	121	5.1	1.5	125	107	14	1	35	14		43	+18		
1979/80	90	12.0	0.5	102	115	15	1	35	11		53	-13		
1980/81 5/	98	16.0	0.5	114	115	15	1	36	15		48	-1		
1981/82 5/ 6/	80	19.5	0.5	99	102	15	1	36	8		42	-3		
1982/83 5/ 6/	86	20.2	0.5	106	106	15	1	36	9		45	0		
1983/84 5/ 6/	79	20.5	0.5	99	99	15	1	36	9		38	0		
Projected 1984/85	73	27.0	1.0	99	98	15	1	37	8		37	+1		
Projected 1985/86	83	20.0	1.0	102	100	15	1	37	9		38	+2		
Coarse Grains														
1975/76	66	15.6	--	81	84	12	2	7	7		56	-3		
1976/77	115	5.7	2.0	119	116	12	3	7	16		78	+3		
1977/78	93	11.7	1.0	103	109	11	3	7	14		74	-5		
1978/79	105	10.0	1.0	114	113	12	3	7	13		79	+1		
1979/80	81	18.4	--	100	100	12	3	7	10		68	0		
1980/81 5/	81	18.0	--	99	100	11	3	7	12		67	-1		
1981/82 5/ 6/	72	25.5	--	98	99	11	3	7	7		71	-1		
1982/83 5/ 6/	86	11.3	--	97	98	11	3	7	9		68	-1		
1983/84 5/ 6/	99	11.5	--	110	110	11	3	7	11		78	0		
Projected 1984/85	86	27.0	--	113	112	11	3	7	10		81	+1		
Projected 1985/86	95	18.0	--	113	113	11	3	7	10		82	0		

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

7/ The indicated variation around the projections in this report should encompass final outcomes about two out of three times.

USSR Total Grain Imports ^{1/}
By Country of Origin by months
In 1,000 Metric Tons

	U.S.	Canada	Australia	EC	Argentina	Sub Total	Total ^{2/}
July 1981	--	645	76	72	2,281	3,074	
August	113	658	122	109	2,377	3,379	
September	1,405	877	115	341	1,197	3,935	
Jul-Sep	1,518	2,180	313	522	5,855	10,388	10,800
October	1,262	1,100	62	351	533	3,308	
November	1,352	1,355	---	461	111	3,279	
December	1,759	546	41	92	8	2,446	
Oct-Dec	4,373	3,001	103	904	652	9,033	10,000
January 1982	1,827	219	194	82	513	2,835	
February	1,775	178	194	187	1,217	3,551	
March	2,186	410	518	122	1,079	4,415	
Jan-Mar	5,788	807	906	491	2,809	10,801	11,200
April	1,905	492	549	131	1,670	4,747	
May	1,333	1,471	507	102	1,723	5,136	
June	470	1,290	96	75	568	2,499	
Apr-Jun	3,708	3,253	1,152	308	3,961	12,382	12,800
July	---	761	---	35	822	1,618	
August	---	650	---	5	668	1,323	
September	---	824	---	5	283	1,112	
Jul-Sep	---	2,235	---	45	1,773	4,053	5,100
October	144	1,064	---	302	68	1,578	
November	1,128	1,130	13	730	---	3,001	
December	695	860	101	468	186	2,297	
Oct-Dec	1,967	3,054	114	1,500	254	6,876	7,500
January 1983	1,576	264	172	538	1,355	3,905	
February	1,277	238	329	426	1,505	3,775	
March	891	308	291	300	1,082	2,872	
Jan-Mar	3,744	810	792	1,264	3,942	10,552	10,900
April	495	754	97	376	1,045	2,767	
May	---	1,122	---	258	1,493	2,873	
June	---	863	---	185	1,079	2,127	
Apr-Jun	495	2,739	97	819	3,617	7,767	8,200
July	---	649	---	120	399	1,168	
August	---	935	---	144	178	1,257	
September	---	836	---	785	225	1,846	
July-Sept	---	2,420	---	1,049	802	4,271	4,700
October	1,181	607	---	156	268	2,212	
November	1,322	486	---	427	155	2,390	
December	1,283	250	115	626	370	2,644	
Oct-Dec	3,786	1,343	115	1,209	793	7,246	8,600
January 1984	863	25	256	333	838	2,315	
February	944	36	346	433	1,030	2,789	
March	1,521	18	249	418	1,018	3,224	
Jan-Mar	3,328	79	851	1,184	2,886	8,328	9,000
April	1,806	421	376	405	868	3,876	
May	1,232	879	312	285	933	3,641	
June	255	1,124	---	155	612	2,146	
April-June	3,293	2,424	688	845	2,413	9,663	9,800
July	259	1,481	58	59	286	2,143	
August	1,231	1,408	115	444	330	3,528	
September	2,172	1,254	132	943	293	4,794	
July-Sept	3,662	4,143	305	1,446	909	10,465	11,300
October	2,320	809	152	966	302	4,549	
November	3,014	961	244	840	99	5,158	
December	3,535	96	100	512	230	4,473	
Oct-Dec	8,869	1,866	496	2,318	631	14,180	14,800
January 1985	2,218	98	154 ^{3/}	599 ^{3/}	1,082	4,151	
February	2,196	---	347 ^{3/}	546 ^{3/}	1,248	4,337	
March	2,023	17	532 ^{3/}	914 ^{3/}	926	4,406	
Jan-March	6,437	115	1,033 ^{3/}	2,059 ^{3/}	3,256	12,894	14,000
April	2,016	388	698 ^{3/}	880 ^{3/}	1,224	5,206	
May	1,566	1,237	341 ^{3/}	700 ^{3/}	1,366	5,210	

^{1/} Based on reported exports for countries enumerated and estimates for other countries to the USSR; excludes rice, buckwheat, millet, and other miscellaneous grains and pulses. Includes grain equivalent of flour.

^{2/} Partially estimated including tentative estimates for countries not enumerated, or for countries from which data is not available.

^{3/} Preliminary

N/A Not Available

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Grains

USSR Grain Situation and Outlook

SG-8-85
August 1985

AUG 28 '85

PROCUREMENT SECTION
CURRENT SERIAL RECORDS

The outlook for the 1985 Soviet grain crop continues favorable. Meanwhile, Soviet grain buying remains slow.

1985 Production Estimate Unchanged; Area Estimate Down

The 1985 Soviet grain production estimate is unchanged at 190 million tons including 83 million tons of wheat and 95 million of coarse grains. However, this month the winter/spring wheat production mix was adjusted slightly. Spring wheat production is now estimated at 39 million tons, 1 million tons more than last month's estimate. The increase in spring wheat production was prompted by improved weather conditions throughout the major wheat areas. During July practically all areas received timely rains. The weather was particularly favorable in the New Land areas east of Kustanay. Spring wheat yield is now estimated at 1.18 tons per hectare, 18 percent higher than the 1984 estimated yield but 3 percent below the estimate for 1983. The winter wheat yield remains virtually unchanged. Winter wheat production is estimated at 44 million tons, down 1 million from last month. The reduction in output resulted from a decrease in area.

Total grain area was reduced by 1 million hectares to 119 million hectares. The area was lowered in response to newly released Soviet preliminary sown area data. The new area estimate is the smallest Soviet grain area since 1971. It indicates that the USSR is still expanding its summer fallow program. The 1 million hectare reduction was taken out of wheat. Both winter and spring wheat area were reduced by 500,000 hectares.

The pace of the Soviet grain harvest has picked up somewhat after a slow start because of a late season, rainy weather, and equipment repair delays. As of August 5, 33.6 million hectares of small grains and pulses had been cut. This represents about 30 percent of the estimated small grain area and is below the 1980-1984 average. Threshing also lags behind average with only 27.8 million hectares or 83 percent of cut area threshed by August 5. In both 1983 and 1984, 87 percent of cut area was threshed by August 5.

Recent Weather Developments

In European USSR, July's weather continued to be beneficial for crop growth. Frequent showers covered the northern half of the region, benefiting winter and spring grains in the reproductive and filling stages. Further south, much above-normal precipitation covered the central Ukraine, mainly due to heavy rain in early July. Above-normal precipitation also covered Moldavia, the southern Ukraine, and the eastern Ukraine, benefiting corn which advanced through the reproductive period by month's end. However, below-normal temperatures in these areas slowed corn growth. In the North Caucasus, below-normal precipitation in July favored grain maturation but provided less than optimum moisture for corn. Currently, corn is in the filling stage in southern European USSR while winter and other spring crops have reached maturity over much of the region. Recent harvest conditions are mixed. Showers in west European USSR crop areas are likely slowing the harvest. Unseasonably hot, dry weather in eastern European USSR is aiding crop maturation and harvesting but is likely stressing row crops such as corn which is in the filling stage.

In spring grain areas east of the Ural Mountains, wet weather in the southern Urals and parts of Kazakhstan alleviated hot, dry conditions in early July, benefiting spring wheat and barley in the heading and filling stages. July's rainfall in these areas halted further declines in the yield potential. A brief spell of unseasonably cold weather in mid-July slowed crop development, but milder weather returned during the latter half of the month. Rainfall amounts in July exceeded 50mm in about 60 percent of the total spring wheat areas. The rain benefited wheat which advanced through the reproductive period. July precipitation ranged from 25 to 50mm in spring wheat areas over the remainder of the region. In eastern spring wheat areas, above-normal temperatures during the past two weeks replaced unseasonably cold weather, enhancing crop growth. Currently, spring wheat in the north is in the filling stage while, in the south, spring wheat is likely mature.

Import Estimate Unchanged

Soviet grain purchases for delivery in the 1985/86 marketing year continue modest, totaling only around 5 million tons. At this time a year ago, Soviet grain purchases were approaching 20 million tons. However, the pace of grain buying so far this year is similar to the

early season buying patterns in 1982/83 and 1983/84. The level of purchases to date suggest that USSR grain imports for the July-Sept 1985 quarter are likely to fall short of last year's 11 million tons.

Estimated USSR grain imports for July-June 1985/86 are projected at 39 million tons, unchanged from a month ago. The estimate of wheat and coarse grain imports continues at 20 million tons and 19 million, respectively. Miscellaneous grain and pulse imports account for the balance of one million tons.

Agreements Cover Significant Share of Soviet Imports

The Soviets have a number of grain agreements which cover imports during the 1985/86 marketing year, including the following:

--The U.S.-USSR Long Term Agreement calls for minimum USSR purchases of wheat and corn for the October-September 1985/86 period of 9 million tons. The Soviets still have 1.1 million tons of wheat to purchase for the current LTA year.

--An Argentine grain agreement (January-December) covers minimum coarse grain trade of 4 million tons. Shipments during the January-June 1985 period totaled around 2.6 million leaving a minimum of 1.4 million tons still to be shipped. The Soviets have traditionally purchased more than the minimum quantity. This marks the last year of the current Argentine-USSR grain agreement. Reports indicate that a new agreement is under negotiation.

--A calendar year agreement with Brazil which provides for annual trade of 500,000 tons of corn. However, Brazil's corn exports for the 1985/86 marketing year are projected at only 200,000 tons. No sales have been reported to the USSR so far.

--Thailand is to ship the USSR 100,000 - 200,000 tons of corn annually under their trading arrangement.

--An agreement with Canada provides for sales of 6 million tons of grain for the August-July 1985/86 period. This is the last year of the current agreement.

--A continuing agreement with Hungary that calls for annual trade of 500,000 tons of wheat or corn.

--An agreement with Austria covering annual sales of 250,000 tons of wheat or corn.

Grain Utilization Unchanged From A Month Ago

Soviet grain utilization for 1985/86, excluding feed and an allowance for dockage and waste, is projected at 79 million tons, basically unchanged from recent years. The allowance for dockage and waste has been placed at around 10 percent of the projected crop or 20 million tons. Domestic feed use is estimated at a record 127 million tons. However, if current trends in the livestock sector continue, growth in feed requirements could fall short of current expectations. The USSR is also expected to add modestly to grain stocks in 1985/86.

1984/85 Wheat Import Estimate Raised

Reflecting large French and Canadian wheat shipments in June 1985, the estimate of USSR wheat imports for July-June 1984/85 have been increased to 27.5 million tons. The increase in wheat imports was reflected in a comparable increase in wheat used for feed. The estimate of coarse grain imports is unchanged at 27 million tons while imports of miscellaneous grains and rice have been reduced to 500,000 tons. The estimate of total imports is unchanged at 55 million tons.

Wheat Procurement Prices Raised

State procurement prices for durum and strong wheats were raised for the 1985 crop. Farms can also receive up to twice the base price for durum depending on its quality classification and a 10 percent premium has been put into place for soft wheat with high gluten. In addition, farms and farm workers can receive wage bonuses equal to as much as two months wages if they exceed both their 5-year average output of the above mentioned wheats and current crop sales targets for wheat in total. The apparent aims of these measures are: 1) to increase wheat sales to the state, 2) to encourage durum wheat expansion, and 3) to cut down on quality problems and waste caused by carelessness in production and handling. Positive results would ultimately lead to reduced import demand for milling quality wheat. The measures are in line with the Food Program goals of increasing incentives for increasing production and reducing losses, but their effectiveness will remain in doubt. Price increases and quality incentives introduced in 1983 appear to have done little for the two crops that followed, although 1984 wheat quality in the Ukraine apparently improved. Because there is considerable distortion in the procurement price structure, it is difficult to assess what the results of these new adjustments will be.

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1975-1980,
1981-1983 (Preliminary), 1984 (Estimate)
and 1985 (Forecast)

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1982 (Preliminary)	57.3	1.50	86.0
1983 (Preliminary)	50.8	1.56	79.0
1984 (Estimate)	51.1	1.43	73.0
1985 (Forecast)	51.0	1.63	83.0
<u>Coarse Grains ^{2/}</u>			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Preliminary)	61.2	1.62	99.0
1984 (Estimate)	59.2	1.45	86.0
1985 (Forecast)	59.0	1.61	95.0
<u>Total Grain ^{3/}</u>			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Preliminary)	120.8	1.57	190.0
1984 (Estimate)	119.6	1.42	170.0
1985 (Forecast)	119.0	1.60	190.0

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1975/76-1985/86

Year	Production	Trade (Jul/Jun)	Availability 1/ July/June	Total 1/ Seed	Industrial	Food	Dockage/ Waste 2/ Feed	Stock Change 3/ July/June
		Imports	Exports	(Million Metric Tons)				
				Total Grains 4/				
1975/76	140	26.1	0.7	180	3	45	14	-14
1976/77	224	11.0	3.3	221	3	45	31	+11
1977/78	196	18.9	2.3	213	4	45	29	-16
1978/79	237	15.6	2.8	231	4	46	28	+19
1979/80	179	31.0	0.8	222	4	46	22	-13
1980/81 5/	189	34.8	0.5	225	4	47	28	-2
1981/82 5/ 6/	160	46.0	0.5	210	4	47	16	-4
1982/83 5/ 6/	180	32.5	0.5	213	4	47	18	-1
1983/84 5/ 6/	190	32.9	0.5	222	4	47	21	0
Projected 1984/85	170	55.0	1.0	222	4	48	19	+2
Projected 1985/86	190	39.0	1.0	226	4	48	20	+2
				Wheat				
1975/76	66	10.1	0.5	87	1	35	7	-11
1976/77	97	4.6	1.0	92	1	35	14	+8
1977/78	92	6.6	1.0	108	1	35	14	-10
1978/79	121	5.1	1.5	107	1	35	14	+18
1979/80	90	12.0	0.5	115	1	35	11	-13
1980/81 5/	98	16.0	0.5	115	1	36	15	-1
1981/82 5/ 6/	80	19.5	0.5	102	1	36	8	-3
1982/83 5/ 6/	86	20.2	0.5	99	1	36	9	0
1983/84 5/ 6/	79	20.5	0.5	99	1	36	9	0
Projected 1984/85	73	27.5	1.0	99	1	37	8	+1
Projected 1985/86	83	20.0	1.0	100	1	37	9	+2
				Coarse Grains				
1975/76	66	15.6	--	84	2	7	7	-3
1976/77	115	5.7	2.0	116	3	7	16	+3
1977/78	93	11.7	1.0	109	3	7	14	-5
1978/79	105	10.0	1.0	113	3	7	13	+1
1979/80	81	18.4	--	100	3	7	10	0
1980/81 5/	81	18.0	--	100	3	7	12	-1
1981/82 5/ 6/	72	25.5	--	99	3	7	7	-1
1982/83 5/ 6/	86	11.3	--	98	3	7	9	-1
1983/84 5/ 6/	99	11.5	--	110	3	7	11	0
Projected 1984/85	86	27.0	--	112	3	7	10	+1
Projected 1985/86	95	18.0	--	113	3	7	10	0

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

USSR IMPORTS OF WHEAT AND COARSE GRAINS BY SOURCE 1972/73-1984/85
July/June Years
(Million Metric Tons)

	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	Prelim. 1980/81	Prelim. 1981/82	Prelim. 1982/83	Prelim. 1983/84	Projected 1984/85
Wheat													
U.S. 1/	9.5	2.7	1.0	4.0	2.9	3.3	2.9	3.9	3.0	6.9	3.0	4.4	6.1
Canada	4.2	1.6	.3	3.2	1.2	1.7	2.0	2.1	4.5	4.8	7.0	5.8	7.6
Australia	.9	.1	.6	1.2	.4	.3	.1	2.7	2.5	2.4	1.0	1.6	2.0
Argentina	.7	--	.6	1.2	.1	1.1	--	2.0	3.0	3.1	4.2	3.6	4.1
EC	.7	--	--	--	--	--	--	.7	.9	1.7	3.4	3.6	6.1
Others	.3	.1	--	.4	--	.2	.1	.6	2.1	.6	1.6	1.5	1.6
TOTAL*	15.6	4.5	2.5	10.1	4.6	6.7	5.1	12.1	16.0	19.5	20.2	20.5	27.5
Coarse Grains													
U.S. 1/	4.2	5.2	1.3	9.9	4.5	9.2	8.3	11.3	5.0	8.5	3.2	6.0	16.2
Canada	.9	.2	--	1.3	.2	.2	.1	1.3	2.3	4.4	1.8	.5	.7
Australia	--	--	.1	.8	.1	--	--	1.3	.4	.1	--	.1	1.1
Argentina	1.1	.3	1.1	.2	.2	1.6	1.4	3.1	8.2	10.2	5.4	3.3	4.0
EC	1.2	.5	.1	.5	.2	.2	.2	.2	.6	.7	.3	.2	2.5
Others	.5	.2	.1	2.6	.3	.6	--	1.2	1.5	1.6	.6	1.4	2.5
TOTAL*	6.9	6.4	2.7	15.6	5.7	11.7	10.0	18.3	18.0	25.5	11.3	11.5	27.0
Total													
U.S. 1/	13.7	7.9	2.3	13.9	7.4	12.5	11.2	15.2	8.0	15.4	6.2	10.4	22.3
Canada	5.1	1.8	.3	4.5	1.4	1.9	2.1	3.4	6.8	9.2	8.8	6.3	8.3
Australia	.9	.1	.7	2.0	.5	.3	.1	4.0	2.9	2.5	1.0	1.7	3.1
Argentina	.1	.3	1.7	1.4	.3	2.7	1.4	5.1	11.2	13.3	9.6	6.9	8.1
EC	1.9	.5	.1	.5	.2	.2	.2	.9	1.5	2.4	3.7	3.8	8.6
Others	.8	.3	.1	3.0	.3	.8	.1	1.8	3.6	2.2	2.2	2.9	4.1
TOTAL*	22.5	10.9	5.2	25.7	10.3	18.4	15.1	30.4	34.0	45.0	31.5	32.0	54.5

-- Denotes less than 50,000 tons.

* Totals may not add due to rounding. Excludes rice and pulses. Included grain equivalent of flour.

1/ U.S. exports based upon Export Sales data, which normally include transshipments whereas Census data may not.

SOURCE: Based on reports of countries exporting to the USSR.

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Grains

SG-9-85
September 1985

USSR Grain Situation and Outlook

The highlights of this month's review of the 1985/86 USSR grain situation are:

- Despite harvesting delays, conditions continue to point to a relatively good 1985 Soviet grain harvest of 190 million tons.
- The estimate of USSR grain for feed use in 1985/86 has been reduced, reflecting improved roughage crop prospects and continued lower livestock inventories than last year.
- The slow rate of early season USSR grain purchases and lower demand estimate has prompted a 2-million ton reduction in the 1985/86 import estimate, to 37 million tons.

1985 Crop Estimate Unchanged

The 1985 Soviet grain harvest continues to be estimated at 190 million tons including 83 million wheat, 95 million coarse grains and 12 million miscellaneous grains and pulses. The grain area estimate also remains unchanged at 119 million hectares.

The most recent harvest progress report (September 2) stated that small grains and pulses had been cut on 77.7 million hectares (about two-thirds of the sown area) and threshed on 68.9 million hectares. This is the slowest harvest since 1980. This year, to an even greater extent than usual, dry September weather will be needed to mature the late seeded crop and get it into the bins.

According to the U.S. team that just returned from a 3-week tour of five of the Soviet Union's major spring wheat producing regions, the Soviet spring wheat crop will be larger than last year in several major producing regions of the New Lands. However, the final outcome is at risk because the harvest is late. The team indicated that the delayed harvest is mainly the result of an unusually cold, late spring which affected planting. The team reported that unusually low temperatures and wet weather are delaying the harvest further in some northern areas, and this may affect the quality of the crop. Some evidence of insect and leaf disease problems which may affect the quality was also noted.

The team visit was made under the terms of the U.S.-USSR Agreement on Cooperation in the Field of Agriculture. The team travelled about 1,700 miles and visited 25 state and collective farms, some having as much as 16,000 hectares of spring wheat. Team members also were able to see several research institutes, research farms and experiment stations, and had discussions with officials of the Ministries of Agriculture and Procurements, the Central Statistical Administration and Eksportkhleb, the Soviet foreign trade organization for grains and oilseeds.

Recent Weather Developments

In European USSR crop areas, hot, dry weather in early August covered corn areas in the North Caucasus, lower Volga Valley, eastern Ukraine, and the southeastern Black Soils Region. Moderate winds accompanied maximum temperatures of around 35C in these areas on August 9-13, which was unfavorable for corn in the filling stage. Historically, corn represents about 5 percent of total grain production. Above-normal temperatures in August over European USSR enhanced the maturity of most crops, and periods of dryness in most areas helped small grains harvesting. Crop areas in the Baltic States and Belorussia received frequent showers which likely slowed harvesting. Winter grain planting began in the north, while fieldwork in preparation for winter grain planting was active in major winter wheat producing areas in the south.

In spring grain areas east of the Ural Mountains, widespread showers during August in the north and east benefited spring grains in the filling stage. However, below-normal precipitation and above-normal temperatures covered spring grain areas in the southern Urals and northern Kazakhstan, which favored crop maturation and helped harvesting.

Recently, showers in southern European USSR crop areas provided unfavorable conditions for corn maturation and harvesting, but increased topsoil moisture for winter wheat planting which normally begins in mid-September. Dry weather in the northeast continued to help the small grains harvest. In the New Lands, light frost covered many locations. The cold weather was ahead of normal by 1 week in the north and 2 weeks in the south. The cold weather likely had no significant impact on yield potential of spring grains because most of the crop was mature in the south and approaching maturity in the north and east.

Import Estimate Reduced

The estimate of Soviet grain imports for the 1985/86 marketing year has been reduced by 2 million tons to 37 million. Lower grain requirements based on a smaller projected 1985/86 grain for feed estimate along with the slow pace of early season grain purchases prompted this reduction. The import estimates for both wheat and coarse grains have been reduced by a million tons to 19 million and 17 million, respectively. Rice and miscellaneous grains account for the balance. As of early September 1985, Soviet grain purchases for

the current marketing year are estimated at less than 10 million tons. At this time a year ago, the Soviets had already purchased nearly 25 million tons of grain for 1984/85 delivery. The major difference between the 2 years is in U.S. sales to the Soviets which by this time a year ago had already risen to well over 10 million tons, in sharp contrast to this year's 8,000 tons. The Soviets appear to have already covered about 30 percent of their projected 1985/86 wheat imports and a somewhat smaller percentage of coarse grain imports.

The pace of early season grain liftings by the Soviets from the major suppliers is the slowest since the summer of 1983. EC wheat and barley and coarse grains from Argentina accounted for the bulk of the July 1985 movement, while Canadian wheat shipments dominated August shipments.

1984/85 Wheat Imports Up

Reflecting recent reports from supplying countries, the estimate of 1984/85 USSR wheat imports has been increased by 500,000 tons to 28 million. No other significant changes were made in the supply-demand estimates.

Grain Utilization Estimate Reduced

The combination of improved roughage crop prospects and lower livestock inventories than last year has prompted a reduction in the estimate of 1985/86 grain for feed use to 124 million tons. This is unchanged from a year ago. Other categories of domestic use are unchanged from a month ago. Traditionally grains and pulses account for approximately one-third of total animal feed consumed (on an energy unit basis). Succulents (silage, haylage, and feed roots), coarse feeds (hay and straw), and pastures each make up about one-fifth of the total.

Forage Crop Outlook Good

Recent reports indicate that the pace of the forage harvest has moved well ahead of the record pace of 1983 and is 10 percent above a year ago. The 1985 plan for haylage procurements has already been exceeded. Given progress to date, there remains an outside chance of reaching the plan for hay of 78 million tons. Given the recent procurement pace and assuming a good silage crop, which appears possible, this year's roughage supplies could be a record.

USSR: Roughage Harvest Progress on State and Collective Farms,
September 2, 1985 with comparisons

	1981-84 avg.	1983	1984	1985
	- Million tons -			
Hay	61.2	69.6	60.1	68.3
Haylage	59.9	63.9	63.8	72.1
Grass Meal	6.0	6.4	5.9	5.9
Silage	65.4	77.8	77.3	79.1
Total in oat unit equivalent	66.0	74.0	69.2	76.0

Livestock Sector Mixed

As of August 1, inventories of cows, hogs, and sheep and goats, on state and collective farms, remained below previous year numbers, while poultry inventories moved well ahead. The difference in hog numbers between this year and last, 2.4 million head, was the same as registered on July 1 and likely signals a bottoming out of the seasonally adjusted drawdown in hog numbers that has been underway since December. Some rebuilding of hog numbers in comparison with year-earlier levels is anticipated over the next few months. Cattle numbers (including cows) on state and collective farms now stand equal to last year's level. These inventories are expected to remain close to year earlier levels into the spring.

Prepared by the USDA Interagency Task Force on the USSR Grain Situation.

USSR Grain Area, Yield, and Production
1975-1980,
1981-1983 (Preliminary), 1984 (Estimate)
and 1985 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons) (Per Hectare)	Production ^{1/} (Million) (Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Preliminary)	50.8	1.56	79.0
1984 (Estimate)	51.1	1.43	73.0
1985 (Forecast)	51.0	1.63	83.0
<u>Coarse Grains ^{2/}</u>			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Preliminary)	61.2	1.62	99.0
1984 (Estimate)	59.2	1.45	86.0
1985 (Forecast)	59.0	1.61	95.0
<u>Total Grain ^{3/}</u>			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Preliminary)	120.8	1.57	190.0
1984 (Estimate)	119.6	1.42	170.0
1985 (Forecast)	119.0	1.60	190.0

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1975/76-1985/86

Year	Production	Trade (Jul/Jun)	Exports	Imports	Availability 1/ July/June	Total 1/ Metric Tons	Seed	Industrial	Food	Dockage/ Waste 2/	Feed	Stock Change 3/ July/June
						(Million Metric Tons)						
						Total Grains 4/						
1975/76	140	26.1	0.7		166	180	28	3	45	14	89	-14
1976/77	224	11.0	3.3		232	221	29	3	45	31	112	+11
1977/78	196	18.9	2.3		213	228	28	4	45	29	122	-16
1978/79	237	15.6	2.8		250	231	28	4	46	28	125	+19
1979/80	179	31.0	0.8		209	222	28	4	46	22	123	-13
1980/81 5/ 6/	189	34.8	0.5		223	225	27	4	47	28	119	-2
1981/82 5/ 6/	160	46.0	0.5		206	210	27	4	47	16	116	-4
1982/83 5/ 6/	180	32.5	0.5		212	213	27	4	47	18	117	-1
1983/84 5/ 6/	190	32.9	0.5		222	222	27	4	47	21	123	0
Projected 1984/85	170	55.5	1.0		224	222	27	4	48	19	124	+2
Projected 1985/86	190	37.0	1.0		226	223	27	4	48	20	124	+3
						Wheat						
1975/76	66	10.1	0.5		76	87	15	1	35	7	30	-11
1976/77	97	4.6	1.0		100	92	15	1	35	14	28	+8
1977/78	92	6.6	1.0		98	108	15	1	35	14	44	-10
1978/79	121	5.1	1.5		125	107	14	1	35	14	43	+18
1979/80	90	12.0	0.5		102	115	15	1	35	11	53	-13
1980/81 5/ 6/	98	16.0	0.5		114	115	15	1	36	15	48	-1
1981/82 5/ 6/	80	19.5	0.5		99	102	15	1	36	8	42	-3
1982/83 5/ 6/	86	20.2	0.5		106	106	15	1	36	9	45	0
1983/84 5/ 6/	79	20.5	0.5		99	99	15	1	36	1	38	0
Projected 1984/85	73	28.0	1.0		100	99	15	1	37	8	38	+1
Projected 1985/86	83	19.0	1.0		101	99	15	1	37	9	37	+2
						Coarse Grains						
1975/76	66	15.6	--		81	84	12	2	7	7	56	-3
1976/77	115	5.7	2.0		119	116	12	3	7	16	78	+3
1977/78	93	11.7	1.0		103	109	11	3	7	14	74	-5
1978/79	105	10.0	1.0		114	113	12	3	7	13	79	+1
1979/80	81	18.4	--		100	100	12	3	7	10	68	0
1980/81 5/ 6/	81	18.0	--		99	100	11	3	7	12	67	-1
1981/82 5/ 6/	72	25.5	--		98	99	11	3	7	7	71	-1
1982/83 5/ 6/	86	11.3	--		97	98	11	3	7	9	68	-1
1983/84 5/ 6/	99	11.5	--		110	110	11	3	7	11	78	0
Projected 1984/85	86	27.0	--		113	112	11	3	7	10	81	+1
Projected 1985/86	95	17.0	--		112	111	11	3	7	10	80	+1

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

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CURRENT RECORDS

Projected USSR grain imports for the 1985/86 marketing year have been reduced for the second consecutive month. A downward revision in estimated domestic grain for feed requirements, in addition to favorable reports about the 1985 wheat crop outturn from the New Lands, and the slow pace of early season buying, all contributed to this reduction. The estimate of the 1985 crop is unchanged as favorable weather contributed to an acceleration in the late season grain harvest. Although area is the smallest in years, Soviet producers are expected to reap the fourth highest yields ever. Revisions in the estimates of USSR grain used for feed the past 2 years has resulted in a larger than previously estimated increase in grain stocks.

1985 Crop Estimate Unchanged

The 1985 Soviet grain harvest continues to be estimated at 190 million tons, including 83 million wheat, 95 million coarse grains and 12 million miscellaneous grains and pulses. The grain area estimate also remains unchanged at 119 million hectares.

The harvest pace picked up in September and the most recent harvest progress report (September 30) stated that small grains and pulses had been cut on 106.8 million hectares and threshed on 105.4 million hectares. It also reported that corn for grain had been harvested on 1.7 million hectares.

As of September 30, winter crops had been seeded on 31.9 million hectares, and plowing for sowing of spring crops had been completed on 55.8 million hectares. The planned area for winter crops is 40-41 million hectares. In an effort to increase yields, Soviet plans call for applying improved technology to about 15 million hectares of winter grains. This technology stresses the use modern management practices and quality inputs.

Recent Weather Developments

In European USSR crop areas, persistent showers during September fell eastward from the Baltics and Belorussia, through the Central Region, into the upper Volga. The rain in these areas likely delayed fieldwork, but provided abundant soil moisture for winter grain emergence and early growth. In addition, September temperatures were near normal, allowing continued winter grain growth. Further south, above-normal September precipitation covered much of the Ukraine, North Caucasus, and lower Volga. Most of the rain fell early in the month and was followed by generally dry weather, which helped corn harvesting and winter grain planting.

In spring grain areas east of the Ural mountains, below-normal precipitation and above-normal temperatures in September helped to accelerate the harvest pace.

Recently, unseasonably warm, dry weather in European USSR provided favorable conditions for fieldwork and continued to promote winter grain growth. However, showers are needed in southern winter wheat areas, particularly those in Moldavia and the southwestern Ukraine, for winter wheat emergence and early growth. In the New Lands, rain and snow showers in the north and east since early October have delayed final harvest efforts.

Grain Purchases and Shipments Continue to Lag

Although Soviet grain purchases picked up some this past month, total commitments from all origins are thought to total less than half the 28 million tons estimated at this time a year ago.

Preliminary data from the major exporters indicate vessel loadings to the Soviets during the first quarter of the July-June 1985/86 marketing year may have totaled less than 5 million tons, far short of the year-earlier period, but about on par with the same months in the 2 earlier years. The slow pace of early season liftings may not only reflect Soviet reaction to price uncertainty in the world market place but some residual effects from the record heavy pace of imports during the waning months of the previous season. These supplies, along with a relatively good 1985 crop outturn, may permit the Soviets to shift more of their import program to the second half of the 1985/86 marketing year.

Wheat Import Estimate Reduced

The estimate of USSR grain imports for the 1985/86 marketing year has been reduced by 2 million tons to 35 million. The wheat import estimate has been cut to 17 million tons while imports of coarse grains and miscellaneous grains are unchanged from a month ago. Both wheat and rye are important bread grain crops in the Soviet Union. Wheat is by far the most important, accounting for about 75 percent of total food use of grains, while rye accounts for more than 10 percent. This year's projected large rye crop along with an improved 1985 wheat crop should permit the Soviets to meet more of their milling requirements with domestic grain.

The slow rate of USSR grain buying from the world market is one of a number of factors that has prompted a two-million-ton reduction in the wheat import estimate, to 17 million tons. In addition, recent reports have confirmed that the 1985 harvest in the important spring wheat areas of the New Lands was significantly better than last year. A large portion of the milling quality wheat in the USSR normally comes from this region. This may well reduce Soviet requirements for imports of high quality wheats. Soviet imports of lower quality wheats, particularly feed wheat, of which Canada and the UK are likely to have large supplies, will depend on the price relationship of these wheats relative to corn and other coarse grains.

Soviet wheat purchases for delivery during the 1985/86 marketing year rose modestly over the past month reflecting principally the sale of 500,000 - 600,000 tons of old crop Argentine wheat. Reports also indicate that Argentina may have sold the Soviets 500,000 tons or more of new crop wheat. Neither the U.S. nor the EC appears to have sold significant quantities of new crop wheat to the Soviets, in sharp contrast to a year ago when these 2 sellers had already reported sales of over 9 million tons.

Coarse Grain Import Estimate Holds

Prospects for a record forage crop, along with a relatively good coarse grain harvest, is expected to sharply reduce Soviet coarse grain import requirements from last year's record level and will likely also permit the Soviets more flexibility in timing purchases and deliveries. After a slow start Soviet coarse grain purchases picked up in recent weeks, principally reflecting sales of U.S. corn for nearby shipment. In contrast, shipments from Argentina have tailed off. Reports from Argentina indicate that coarse grain sales

to the USSR may fall short of expectations as some of the recent wheat trade apparently will be counted towards fulfillment of the annual 4-million-ton coarse grain agreement minimum.

Despite lower world wheat prices in recent months, a record U.S. corn crop is expected to depress U.S. and world coarse grain prices and result in a smaller reduction in corn purchases than for coarse grains as a whole.

Domestic Use Estimates Cut: Stocks Increase

In light of information recently published on Soviet concentrate feeding, the estimates of grain fed in the USSR for the 1983/84-1985/86 period have all been reduced by 3 million tons. Soviet planners continue to stress limiting dependence on grain feeding and have expanded production and storage capabilities for roughage feeds in recent years. The reduction in grain fed estimates represents less than 1 percent of total feed supplies in oat unit equivalent for each of the three years.

In addition, grain for food use in 1984/85 has been reduced slightly based on newly available data on per capita consumption of bread and other grain products.

The reduction in grain utilization estimates resulted in an estimated 13 million ton buildup in grain stocks for the period. Over the past 3 years, the Soviets may have taken advantages of declining world grain prices and added to badly depleted stocks. Also, given this past year's massive USSR grain import program and the need for early scheduling of purchases and shipments, the Soviets may have bought more grain than needed for immediate consumption.

Non-Grain Feed Harvest Reports Good

The record-breaking pace of roughage crop harvesting continued through September. By the end of the month supplies of hay, haylage, grass meal, and silage--in oat unit equivalent--were 10 percent higher than last year and 5 percent above the previous record year of 1983. Production of hay is very close to the record amount, production of haylage is the largest ever and now silage production, too, seems headed for a record. The improved domestic feed supplies mean that the Soviets could possibly reduce grain feeding in 1985/86 below the previous year's amount and still achieve some growth in livestock production in 1986.

Prepared by the USDA Interagency Task Force on the USSR Grain Situation

USSR Grain Area, Yield, and Production
1975-1980,
1981-1983 (Preliminary), 1984 (Estimate)
and 1985 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons) (Per Hectare)	Production ^{1/} (Million) (Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Preliminary)	50.8	1.56	79.0
1984 (Estimate)	51.1	1.43	73.0
1985 (Forecast)	51.0	1.63	83.0
<u>Coarse Grains ^{2/}</u>			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Preliminary)	61.2	1.62	99.0
1984 (Estimate)	59.2	1.45	86.0
1985 (Forecast)	59.0	1.61	95.0
<u>Total Grain ^{3/}</u>			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Preliminary)	120.8	1.57	190.0
1984 (Estimate)	119.6	1.42	170.0
1985 (Forecast)	119.0	1.60	190.0

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1975/76-1985/86

Year	Production	Trade (Jul/Jun)		Availability 1/ July/June	Total 1/ Seed (Million Metric Tons)				Dockage/ Waste 2/ Feed		Stock Change 3/ July/June	
		Imports	Exports		Industrial	Food	Waste 2/ Feed					
Total Grains 4/												
1975/76	140	26.1	0.7	166	180	3	45	14	89		-14	
1976/77	224	11.0	3.3	232	221	3	45	31	112		+11	
1977/78	196	18.9	2.3	213	228	4	45	29	122		-16	
1978/79	237	15.6	2.8	250	231	4	46	28	125		+19	
1979/80	179	31.0	0.8	209	222	4	46	22	123		-13	
1980/81 5/	189	34.8	0.5	223	225	4	47	28	119		-2	
1981/82 5/ 6/	160	46.0	0.5	206	210	4	47	16	116		-4	
1982/83 5/ 6/	180	32.5	0.5	212	213	4	47	18	117		-1	
1983/84 5/ 6/	190	32.9	0.5	222	219	4	47	21	120		+3	
Projected 1985/86	190	35.0	1.0	224	220	4	48	20	121		+4	
Wheat												
1975/76	66	10.1	0.5	76	87	1	35	7	30		-11	
1976/77	97	4.6	1.0	100	92	1	35	14	28		+8	
1977/78	92	6.6	1.0	98	108	1	35	14	44		-10	
1978/79	121	5.1	1.5	125	107	1	35	14	43		+18	
1979/80	90	12.0	0.5	102	115	1	35	11	53		-13	
1980/81 5/	98	16.0	0.5	114	115	1	36	15	48		-1	
1981/82 5/ 6/	80	19.5	0.5	99	102	1	36	8	42		-3	
1982/83 5/ 6/	86	20.2	0.5	106	106	1	36	9	45		0	
1983/84 5/ 6/	79	20.5	0.5	99	97	1	36	9	36		+2	
Projected 1985/86	83	17.0	1.0	99	96	1	37	9	34		+3	
Coarse Grains												
1975/76	66	15.6	--	81	84	2	7	7	56		-3	
1976/77	115	5.7	2.0	119	116	3	7	16	78		+3	
1977/78	93	11.7	1.0	103	109	3	7	14	74		-5	
1978/79	105	10.0	1.0	114	113	3	7	13	79		+1	
1979/80	81	18.4	--	100	100	3	7	10	68		0	
1980/81 5/	81	18.0	--	99	100	3	7	12	67		-1	
1981/82 5/ 6/	72	25.5	--	98	99	3	7	7	71		-1	
1982/83 5/ 6/	86	11.3	--	97	98	3	7	9	68		-1	
1983/84 5/ 6/	99	11.5	--	110	109	3	7	11	77		+1	
Projected 1985/86	95	17.0	--	112	111	3	7	10	80		+1	

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

USSR Total Grain Imports 1/
By Country of Origin by months
In 1,000 Metric Tons

	U.S.	Canada	Australia	EC	Argentina	Sub Total	Total <u>2/</u>
July 1982	---	761	---	35	822	1,618	
August	---	650	---	5	668	1,323	
September	---	824	---	5	283	1,112	
Jul-Sep	---	2,235	---	45	1,773	4,053	5,100
October	144	1,064	---	302	68	1,578	
November	1,128	1,130	13	730	---	3,001	
December	695	860	101	468	186	2,297	
Oct-Dec	1,967	3,054	114	1,500	254	6,876	7,500
January 1983	1,576	264	172	538	1,355	3,905	
February	1,277	238	329	426	1,505	3,775	
March	891	308	291	300	1,082	2,872	
Jan-Mar	3,744	810	792	1,264	3,942	10,552	10,900
April	495	754	97	376	1,045	2,767	
May	---	1,122	---	258	1,493	2,873	
June	---	863	---	185	1,079	2,127	
Apr-Jun	495	2,739	97	819	3,617	7,767	8,200
July	---	649	---	120	399	1,168	
August	---	935	---	144	178	1,257	
September	---	836	---	785	225	1,846	
July-Sept	---	2,420	---	1,049	802	4,271	4,700
October	1,181	607	---	156	268	2,212	
November	1,322	486	---	427	155	2,390	
December	1,283	250	115	626	370	2,644	
Oct-Dec	3,786	1,343	115	1,209	793	7,246	8,600
January 1984	863	25	256	333	838	2,315	
February	944	36	346	433	1,030	2,789	
March	1,521	18	249	418	1,018	3,224	
Jan-Mar	3,328	79	851	1,184	2,886	8,328	9,000
April	1,806	421	376	405	868	3,876	
May	1,232	879	312	285	933	3,641	
June	255	1,124	---	155	612	2,146	
April-June	3,293	2,424	688	845	2,413	9,663	9,800
July	259	1,481	58	59	286	2,143	
August	1,231	1,408	115	444	330	3,528	
September	2,172	1,254	132	943	293	4,794	
July-Sept	3,662	4,143	305	1,446	909	10,465	11,300
October	2,320	809	152	966	302	4,549	
November	3,014	961	244	840	99	5,158	
December	3,535	96	100	512	230	4,473	
Oct-Dec	8,869	1,866	496	2,318	631	14,180	14,800
January 1985	2,218	98	154	599 <u>3/</u>	1,082	4,151	
February	2,196	---	347	546 <u>3/</u>	1,248	4,337	
March	2,023	17	532	924 <u>3/</u>	926	4,416	
Jan-March	6,437	115	1,033	2,069 <u>3/</u>	3,256	12,910	14,000
April	2,016	388	698 <u>3/</u>	930	1,225	5,257	
May	1,566	1,237	468 <u>3/</u>	921 <u>3/</u>	1,368	5,560	
June	106	481	211 <u>3/</u>	1,116 <u>3/</u>	580	2,494	
April-June	3,688	2,106	1,377 <u>3/</u>	2,967 <u>3/</u>	3,173	13,311	14,700
July	8	---	125 <u>3/</u>	200 <u>3/</u>	443	776	
August	---	---	100 <u>3/</u>	N/A	281	381	

1/ Based on reported exports for countries enumerated and estimates for other countries to the USSR; excludes rice, buckwheat, millet, and other miscellaneous grains and pulses. Includes grain equivalent of flour.

2/ Partially estimated including tentative estimates for countries not enumerated, or for countries from which data is not available.

3/ Preliminary

N/A Not Available

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Foreign Agriculture Circular

Grains

USSR Grain Situation and Outlook

SG-11-85

November 12, 1985

NOV 29 '85

The estimate of the 1985 USSR grain crop is unchanged at 190 million tons. Reports indicate that the 1985 harvest is basically completed with grain area likely the smallest since 1960. Despite numerous growing season problems, yields per hectare are estimated to be the fourth highest ever. Over the past month there has been some pick-up in Soviet grain buying activity.

Area Estimate Reduced; Production Unchanged

USDA's estimate of the Soviet grain area was reduced 1.5 million hectares to 117.5 million hectares as a result of newly released Soviet area data. The Soviets published preliminary sown area numbers by grain type in October's Vestnik statistiki. The Soviet official estimate of 119.3 was reduced 1.8 million hectares by USDA to reflect likely final area which will include a diversion of grains to forage use. The new USDA area estimate is about 2.1 million hectares below last year's area, reflecting a 2 million hectare expansion in clean summer fallow. This year's estimated grain area is the lowest since 1960.

Total grain production remains at 190 million tons. The adjustments in area are accompanied by only slight changes in yields and production. Wheat production remains unchanged at 83 million tons. A 1 million ton decrease in coarse grain output has been offset by a 1 million ton increase in miscellaneous grain production. The revised forecast includes smaller area estimates for barley, rye and oats and larger area estimates for corn and pulses.

Fall Seeding and Weather Update

Winter grain planting is lagging behind last year's pace. The Soviets may not achieve the expected 34-35 million hectares of winter grain area this season. October's dry weather limited moisture supplies for early winter grain establishment in some areas, particularly parts of the central and eastern Ukraine, and the northern North Caucasus. Historically, these areas account for about 20 percent of total winter

wheat production. In addition, below normal temperatures during October slowed plant growth and caused winter wheat to begin hardening earlier than normal. Usually, winter grains enter dormancy in the south during mid-November. Moisture conditions in northern winter grain areas were adequate for plant establishment and a gradual decrease in temperatures induced winter grains into dormancy by late October in good condition. Recently, widespread rain increased moisture supplies in the north, while light showers accompanied a warming trend in the south.

Import Estimate Unchanged

The estimate of USSR grain imports at 35 million tons is unchanged from a month ago. Wheat and coarse grain imports are each projected at 17 million tons with rice, miscellaneous grains and pulses expected to account for the balance.

The pace of Soviet grain purchases accelerated this past month with commitments from all origins for delivery in 1985/86 now estimated at over 15 million tons. This is only about half the level of Soviet grain purchases at this time a year ago, but about the same as the 2 preceding years. U.S. corn sales and EC wheat and barley sales accounted for much of the activity. Surprisingly, there have been no announcements of new crop wheat sales to the Soviets by either Argentina or Australia.

The pace of Soviet grain shipments from the major suppliers continued to pick up in September. However, estimated imports from all origins for the July-September quarter totaled only around 5 million tons, less than half the shipments for the same quarter a year ago. Based on reported sales, the pace of shipments is expected to accelerate sharply in the months ahead.

Soviet coarse grain imports are expected to drop sharply from the record 1984/85 level due to a significant increase in coarse grain production and a record large forage crop. Domestic use in 1985/86 is projected to be basically unchanged from the level of the past two years. U.S. corn sales to the Soviets are expected to fall well short of the record 1984/85 level. Other countries, particularly barley suppliers, are also likely to see a fall-off in shipments. The 1985 USSR barley crop is projected to be much larger than the estimated low 1984 outturn while the corn crop is likely to be basically unchanged from the estimated levels of the past several years. U.S. corn sales to the Soviets for July-June 1985/86 total over 3 million tons and

account for about half of estimated total Soviet coarse grain purchases from all sources. The EC was the major seller over the past month with barley sales of around 600,000 tons.

The 1985/86 USSR wheat import estimate holds at 17 million tons, the smallest since 1980/81. Reports of improved quality for the 1985 Soviet wheat harvest along with a larger outturn are expected to hold down USSR wheat imports this year. Through early November, the Soviets are estimated to have purchased nearly 9 million tons of wheat for 1985/86 delivery or about half of projected import needs. Canada has been the major seller this year. After a slow start, French wheat sales are now thought to total 2-3 million tons. Argentina earlier sold the USSR around 600,000 tons of old crop wheat, but no sales from new crop have been reported. Australia, the other major southern hemisphere wheat exporter, also has not reported any new crop wheat sales. So far this marketing year, U.S. sales have totaled less than 200,000 tons.

U.S. - USSR Hold Grain Consultations

At the semi-annual consultations, held in Washington October 16 - 17, the U.S. advised that in addition to the 12 million tons provided for annually by the agreement, an additional 10 million tons of U.S. wheat and/or corn would be available for 1985/86 shipments without the necessity of further consultations. In taking this action it was noted that there is no present indication that amounts in excess of the basic agreement quantities would be taken but that in light of past experience such additional latitude may at a later stage be conducive to additional trade.

Utilization Estimate Revised

The forecast of total 1985/86 Soviet grain utilization, including an allowance for dockage and waste has been reduced slightly to 218 million tons. The decrease reflects a small reduction in the allowance for dockage and waste. This allowance represents an approximation of the amount of excess moisture and non-grain matter in the crop and any handling and storage losses. The reduction reflects less than normal precipitation during much of the late season harvest which helped expedite the harvest and minimize field losses. Other utilization estimates are unchanged from a month ago. The estimate of stock change for the 1985/86 marketing year was increased to reflect the smaller allowance for dockage and waste.

Record Forage Crop Likely

Roughage harvest progress reports continue to indicate a record crop. Supplies of hay, haylage, grass meal and silage, in oat unit equivalent, were almost 10 percent above last year's. The Soviets set new records for haylage and silage production in 1985. The higher non-grain feed supplies mean that the Soviets may be able to maintain growth in the livestock sector while limiting grain feeding in 1985/86. Much depends, however, on the severity and length of the 1986 winter. Last year, feed supplies were tight as a result of a reduced harvest in both grains and roughages, a severe winter, and a late spring.

USSR: Roughage Harvest Progress on State and Collective Farms, October 14, 1984/85

	1984	1985
Hay	66.4	75.3
Haylage	66.4	74.8
Grass Meal	6.7	6.5
Silage	235.1	249.2
Total in Oat Unit Equivalent 1/	105.1	114.6

1/ Using the following oat unit conversion factors: hay .45, haylage .43, grass meal .84, silage .20

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1983/84 5/ 6/	190	32.9	0.5	222	219	27	4	47	21	120	+3
1984/85 5/ 6/	170	55.5	1.0	224	218	27	4	47	19	121	+6
Projected 1985/86	190	35.0	1.0	224	218	27	4	48	18	121	+6
						Wheat					
1975/76	66	10.1	0.5	76	87	15	1	35	7	30	-11
1976/77	97	4.6	1.0	100	92	15	1	35	14	28	+8
1977/78	92	6.6	1.0	98	108	15	1	35	14	44	-10
1978/79	121	5.1	1.5	125	107	14	1	35	14	43	+18
1979/80	90	12.0	0.5	102	115	15	1	35	11	53	-13
1980/81 5/	98	16.0	0.5	114	115	15	1	36	15	48	-1
1981/82 5/ 6/	80	19.5	0.5	99	102	15	1	36	8	42	-3
1982/83 5/ 6/	86	20.2	0.5	106	106	15	1	36	9	45	0
1983/84 5/ 6/	79	20.5	0.5	99	97	15	1	36	9	36	+2
1984/85 5/ 6/	73	28.1	1.0	100	96	15	1	36	8	36	+4
Projected 1985/86	83	17.0	1.0	99	95	15	1	37	8	34	+4
						Coarse Grains					
1975/76	66	15.6	--	81	84	12	2	7	7	56	-3
1976/77	115	5.7	2.0	119	116	12	3	7	16	78	+3
1977/78	93	11.7	1.0	103	109	11	3	7	14	74	-5
1978/79	105	10.0	1.0	114	113	12	3	7	13	79	+1
1979/80	81	18.4	--	100	100	12	3	7	10	68	0
1980/81 5/	81	18.0	--	99	100	11	3	7	12	67	-1
1981/82 5/ 6/	72	25.5	--	98	99	11	3	7	7	71	-1
1982/83 5/ 6/	86	11.3	--	97	98	11	3	7	9	68	-1
1983/84 5/ 6/	99	11.5	--	110	109	11	3	7	11	77	+1
1984/85 5/ 6/	86	26.9	--	113	111	11	3	7	10	80	+2
Projected 1985/86	94	17.0	--	111	109	11	3	7	9	79	+2

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

2/ Includes post harvest losses incurred in transport and storage.

3/ Minus indicates withdrawal from stocks.

4/ Total grain production, trade, and utilization figures include pulses, paddy rice, buckwheat, and miscellaneous grains in addition to wheat and coarse grains.

5/ Preliminary for trade, availability, utilization, and stocks change.

6/ Production estimated as there have been no official USSR production data since the 1980 crop.

USSR Total Grain Imports ^{1/}
By Country of Origin by months
In 1,000 Metric Tons

	U.S.	Canada	Australia	EC	Argentina	Sub Total	Total ^{2/}
July 1982	---	761	---	35	822	1,618	
August	---	650	---	5	668	1,323	
September	---	824	---	5	283	1,112	
Jul-Sep	---	2,235	---	45	1,773	4,053	5,100
October	144	1,064	---	302	68	1,578	
November	1,128	1,130	13	730	---	3,001	
December	695	860	101	468	186	2,297	
Oct-Dec	1,967	3,054	114	1,500	254	6,876	7,500
January 1983	1,576	264	172	538	1,355	3,905	
February	1,277	238	329	426	1,505	3,775	
March	891	308	291	300	1,082	2,872	
Jan-Mar	3,744	810	792	1,264	3,942	10,552	10,900
April	495	754	97	376	1,045	2,767	
May	---	1,122	---	258	1,493	2,873	
June	---	863	---	185	1,079	2,127	
Apr-Jun	495	2,739	97	819	3,617	7,767	8,200
July	---	649	---	120	399	1,168	
August	---	935	---	144	178	1,257	
September	---	836	---	785	225	1,846	
July-Sept	---	2,420	---	1,049	802	4,271	4,700
October	1,181	607	---	156	268	2,212	
November	1,322	486	---	427	155	2,390	
December	1,283	250	115	626	370	2,644	
Oct-Dec	3,786	1,343	115	1,209	793	7,246	8,600
January 1984	863	25	256	333	838	2,315	
February	944	36	346	433	1,030	2,789	
March	1,521	18	249	418	1,018	3,224	
Jan-Mar	3,328	79	851	1,184	2,886	8,328	9,000
April	1,806	421	376	405	868	3,876	
May	1,232	879	312	285	933	3,641	
June	255	1,124	---	155	612	2,146	
April-June	3,293	2,424	688	845	2,413	9,663	9,800
July	259	1,481	58	59	286	2,143	
August	1,231	1,408	115	444	330	3,528	
September	2,172	1,254	132	943	293	4,794	
July-Sept	3,662	4,143	305	1,446	909	10,465	11,300
October	2,320	809	152	966	302	4,549	
November	3,014	961	244	840	99	5,158	
December	3,535	96	100	512	230	4,473	
Oct-Dec	8,869	1,866	496	2,318	631	14,180	14,800
January 1985	2,218	98	154	599 ^{3/}	1,082	4,151	
February	2,196	---	347	546 ^{3/}	1,248	4,337	
March	2,023	17	532	924 ^{3/}	926	4,416	
Jan-March	6,437	115	1,033	2,069 ^{3/}	3,256	12,910	14,000
April	2,016	388	698 ^{3/}	930	1,225	5,257	
May	1,566	1,237	468 ^{3/}	921 ^{3/}	1,368	5,560	
June	106	481	211 ^{3/}	1,116 ^{3/}	580	2,494	
April-June	3,688	2,106	1,377 ^{3/}	2,967 ^{3/}	3,173	13,311	14,700
July	8	---	100 ^{3/}	200 ^{3/}	443	751	
August	---	---	100 ^{3/}	150 ^{3/}	281	431	
September	---	1,384	50 ^{3/}	---	59	1,493	
July-Sept	8	1,384	250 ^{3/}	250 ^{3/}	783	2,675	5,000

^{1/} Based on reported exports for countries enumerated and estimates for other countries to the USSR; excludes rice, buckwheat, millet, and other miscellaneous grains and pulses. Includes grain equivalent of flour.

^{2/} Partially estimated including tentative estimates for countries not enumerated, or for countries from which data is not available.

^{3/} Preliminary

N/A Not Available

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Grains

SG-12-85
December 10, 1985

USSR Grain Situation and Outlook

Import Estimate Holds

The estimate of USSR grain imports at 35 million tons is unchanged from a month ago. Wheat and coarse grain imports are projected to total 17 million tons each with miscellaneous grains, rice and pulses adding another million tons.

The total level of USSR grain purchases for delivery in the 1985/86 July/June marketing year are estimated to be between 17-18 million tons. Over the past month, the Soviets added to earlier purchases of U.S. corn and EC wheat and barley. The Soviets appear to have well over half of their projected wheat import requirements and close to half of projected coarse grain imports covered as of early December 1985.

Utilization and Stock Estimates Unchanged From a Month Ago

The estimate of total 1985/86 USSR grain utilization is unchanged from a month ago at 218 million tons. In recent years, total grain use appears to have stabilized at slightly less than 220 million tons. The main element of domestic use, grain for feed, has held at around 120 million tons, short of the peak levels of the late 1970's. An aggressive import program appears to have more than offset a series of reduced crops in recent years. Consequently, the Soviets are projected to be adding around 15 million tons to depleted grain stocks during the 1983/84 - 1985/86 period.

Soviets Announce Twelfth Five-Year Plan

In November the Soviet Union announced plans for the twelfth five-year plan period (1986-1990). Gross agriculture production is to increase 14-16 percent. Grain production is to average 250-255 million tons per year. The new plans are a continuation of targets from the eleventh five-year plan (1981-1985). They are not realistic in light of past performance. In the eleventh five-year period, gross agriculture production increased only 6 percent, one half of the

Approved by the World Agricultural Outlook Board - USDA

planned increase. Estimated grain production between 1981 and 1985 averaged 178 million tons, only 74 percent of target.

The Soviets are unlikely to meet their twelfth five-year plan targets. However, Soviet agricultural performance between 1986 and 1990 may be improved by the new leadership of Gorbachev, the creation of an agricultural super-ministry, and greater attention to agronomic practices.

Soviet Create "Super Ministry" for Agriculture

During November, the Soviets announced a merger of 5 ministries in the agriculture sector to create a "super ministry". The new ministry is called the USSR State Agro-industrial Committee (USSR Gosagroprom). It combines the planning and management function of the USSR Ministries of Agriculture, Fruits and Vegetables, Meat and Dairy Industry, Food Industry, and Rural Construction, and the USSR State Committee for the Supply of Production Equipment for Agriculture. Most of the responsibilities of the Ministries of Procurement, and some of the responsibilities of the Ministries of Light Industry, and Land Reclamation and Water Resources have also been transferred to Gosagroprom. Gosagroprom is headed by Vsevolod Murakhovskiy, a first deputy chairman of the Council of Ministries. Murakhovskiy worked under Gorbachev in Stavropol Kray (region) in the 1970's.

Gosagroprom is an attempt by Gorbachev to streamline the Soviet economy and address the problem of coordination within the agricultural sector. The reorganization may improve the efficiency in the Soviet agricultural economy by better coordinating the activity of organizations in the agricultural complex. Areas where improvements might be expected first are in transportation, processing, and storage of agricultural goods. It is unlikely that Gosagroprom will have much impact on gross agricultural output and grain production. The reorganization within the agricultural sector would need to be accompanied by price changes and greater incentives to affect output. These reforms would likely be associated with decentralization. Gorbachev's creation of Gosagroprom, however, represents a move towards centralization and discipline.

Livestock Inventories Remain Below 1984 Levels

A gradual rebuilding of hog, and sheep and goat inventories compared with year-earlier levels continued in October. As of November 1 hog

numbers were 1.7 million head below the previous year and sheep and goat inventories were 2.8 million head below November 1, 1984 numbers. For comparison, as of July 1, hog numbers had been down by 2.4 million head and sheep and goat numbers by 4.7 million. Cattle numbers fell slightly further behind year-earlier levels during October. As of November 1 they were 500,000 head below last year's level. Most of this difference was accounted for by cows.

Livestock Output Growth Slowing

Meat output growth in the socialized sector compared with 1984 has been slowing gradually since spring. Cumulative January-April meat production was up 6.4 percent over the same period in 1984 whereas the January-July differential was 4.0 percent and for January-October just 2.8 percent. Poultry meat production remains the fastest growing, followed by beef. Milk production growth also slowed in October, but remained 1.4 percent ahead of last year. All of this year's increase is accounted for by higher milk yields. Egg production continues roughly 2.5 percent ahead of last year.

USSR: Livestock Inventories on State and Collective Farms, November 2, 1981-85

	1981	1982	1983	1984	1985
<u>--Million head--</u>					
Cattle	90.3	91.0	93.1	95.1	94.6
of which	29.7	29.7	29.7	29.6	29.3
Hogs	57.6	58.6	60.8	61.5	59.8
Sheep and goats	119.6	118.0	120.2	118.9	116.1
Poultry	674.2	713.0	728.5	748.3	764.3

USSR: Livestock Production on State and
Collective Farms January-October 1982-85

	1982	1983	1984	1985
	--Million tons--			
Total meat, liveweight	13,094	13,922	14,725	15,141
of which				
Beef	7,525	7,838	8,200	8,530
Pork	3,077	3,420	3,707	3,755
Poultry	1,590	1,727	1,817	1,941
Lamb and mutton	902	937	961	915
Milk	55,369	59,490	60,405	61,253
Eggs, million	40,625	42,755	43,964	45,102

November Weather Conditions

1986 Early Crop Conditions

Above-normal November precipitation increased moisture conditions over the Ukraine, Black Soils Region, Central Region, Volga Vyatsk, and the Volga. Precipitation was below normal in the North Caucasus. Early month above-normal temperatures were replaced by a cold wave over the western USSR which began around November 15, and caused temperatures to drop well-below-normal. As a result of November's highly variable temperature pattern, hardening conditions for Soviet winter grains are mixed. In northern areas, a sufficient period preceded the cold wave, allowing winter grains to become well hardened before entering dormancy. Winter grains in most of the Ukraine, Black Soils, and Volga were moderately hardened. However, in the southern Ukraine and the North Caucasus, mid-November's sudden drop in temperatures forced winter grains into dormancy with minimal hardening, making the crop more vulnerable to extremely cold weather. The cold wave produced minimum temperatures around -15c in central and northern areas which approached the threshold for potential winterkill. However, snow preceded the bitter cold weather, protecting winter grains.

During the first week of December above normal temperatures in the west and south reduced the snow cover. Snow cover in the northeast remained sufficient to protect winter crops from extreme cold.

The estimated size of the 1985 Soviet grain harvest remains unchanged at 190 million tons, including 83 million wheat, 94 million coarse grains and 13 million miscellaneous grains and pulses. The area estimate of 117.5 million hectares is also unchanged.

Prepared by the USDA Interagency Task Force on the USSR Grain Situation

USSR Grain Area, Yield, and Production
1975-1980,
1981-1983 (Preliminary), 1984 (Estimate)
and 1985 (Forecast)

Grain	Area (Million Hectares)	Yield (Metric Tons) (Per Hectare)	Production ^{1/} (Million) (Metric Tons)
<u>Wheat</u>			
1975	62.0	1.07	66.2
1976	59.5	1.63	96.9
1977	62.0	1.49	92.2
1978	62.9	1.92	120.9
1979	57.7	1.56	90.2
1980	61.5	1.60	98.2
1981 (Preliminary)	59.2	1.35	80.0
1982 (Preliminary)	57.3	1.50	86.0
1983 (Preliminary)	50.8	1.56	79.0
1984 (Estimate)	51.1	1.43	73.0
1985 (Forecast)	50.2	1.65	83.0
<u>Coarse Grains ^{2/}</u>			
1975	58.1	1.13	65.8
1976	60.9	1.89	115.0
1977	60.6	1.53	92.6
1978	58.0	1.82	105.4
1979	61.2	1.33	81.2
1980	57.9	1.40	80.5
1981 (Preliminary)	58.0	1.24	72.0
1982 (Preliminary)	58.0	1.48	86.0
1983 (Preliminary)	61.2	1.62	99.0
1984 (Estimate)	59.2	1.45	86.0
1985 (Forecast)	57.8	1.63	94.0
<u>Total Grain ^{3/}</u>			
1975	127.9	1.10	140.1
1976	127.8	1.75	223.8
1977	130.3	1.50	195.7
1978	128.5	1.85	237.4
1979	126.4	1.42	179.2
1980	126.6	1.49	189.1
1981 (Preliminary)	125.5	1.27	160.0
1982 (Preliminary)	123.0	1.46	180.0
1983 (Preliminary)	120.8	1.57	190.0
1984 (Estimate)	119.6	1.42	170.0
1985 (Forecast)	117.5	1.62	190.0

^{1/} "Bunker weight" basis; not discounted for excess moisture or foreign material.

^{2/} Includes rye, barley, oats, corn, sorghum, and millet.

^{3/} Includes wheat, coarse grains, pulses, rice, buckwheat, and miscellaneous grains.

USSR: Total Grain, Wheat, and Coarse Grains: Supply/Utilization 1975/76-1985/86

Year	Production	Trade (Jul/Jun)		Availability 1/		Total 1/		Seed	Industrial	Food	Dockage/		Stock Change 3/ July/June
		Imports	Exports	July/June	(Million Metric Tons)	Total Grains 4/	Waste 2/				Waste 2/	Feed	
1975/76	140	26.1	0.7	166	180	28	14	3	3	45	14	89	-14
1976/77	224	11.0	3.3	232	221	29	31	3	3	45	31	112	+11
1977/78	196	18.9	2.3	213	228	28	29	4	4	45	29	122	-16
1978/79	237	15.6	2.8	250	231	28	28	4	4	46	28	125	+19
1979/80	179	31.0	0.8	209	222	28	22	4	4	46	22	123	-13
1980/81 5/ 6/	189	34.8	0.5	223	225	27	28	4	4	47	28	119	-2
1981/82 5/ 6/	160	46.0	0.5	206	210	27	16	4	4	47	16	116	-4
1982/83 5/ 6/	180	32.5	0.5	212	213	27	18	4	4	47	18	117	-1
1983/84 5/ 6/	190	32.9	0.5	222	219	27	21	4	4	47	21	120	+3
1984/85 5/ 6/	170	55.5	1.0	224	218	27	19	4	4	47	19	121	+6
Projected 1985/86	190	35.0	1.0	224	218	27	18	4	4	48	18	121	+6
Wheat													
1975/76	66	10.1	0.5	76	87	15	7	1	1	35	7	30	-11
1976/77	97	4.6	1.0	100	92	15	14	1	1	35	14	28	+8
1977/78	92	6.6	1.0	98	108	15	14	1	1	35	14	44	-10
1978/79	121	5.1	1.5	125	107	14	14	1	1	35	14	43	+18
1979/80	90	12.0	0.5	102	115	15	11	1	1	35	11	53	-13
1980/81 5/ 6/	98	16.0	0.5	114	115	15	15	1	1	36	15	48	-1
1981/82 5/ 6/	80	19.5	0.5	99	102	15	8	1	1	36	8	42	-3
1982/83 5/ 6/	86	20.2	0.5	106	106	15	9	1	1	36	9	45	0
1983/84 5/ 6/	79	20.5	0.5	99	97	15	9	1	1	36	9	36	+2
1984/85 5/ 6/	73	28.1	1.0	100	96	15	8	1	1	36	8	36	+4
Projected 1985/86	83	17.0	1.0	99	95	15	8	1	1	37	8	34	+4
Coarse Grains													
1975/76	66	15.6	--	81	84	12	7	2	2	7	7	56	-3
1976/77	115	5.7	2.0	119	116	12	16	3	3	7	16	78	+3
1977/78	93	11.7	1.0	103	109	11	14	3	3	7	14	74	-5
1978/79	105	10.0	1.0	114	113	12	13	3	3	7	13	79	+1
1979/80	81	18.4	--	100	100	12	10	3	3	7	10	68	0
1980/81 5/ 6/	81	18.0	--	99	100	11	12	3	3	7	12	67	-1
1981/82 5/ 6/	72	25.5	--	98	99	11	7	3	3	7	7	71	-1
1982/83 5/ 6/	86	11.3	--	97	98	11	9	3	3	7	9	68	-1
1983/84 5/ 6/	99	11.5	--	110	109	11	11	3	3	7	11	77	+1
1984/85 5/ 6/	86	26.9	--	113	111	11	10	3	3	7	10	80	+2
Projected 1985/86	94	17.0	--	111	109	11	9	3	3	7	9	79	+2

1/ Availability excludes beginning stocks. Totals may not add due to rounding.

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